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LEGISLATIVE HISTORY

Public Law 806--80th Congress

Chapter 704--2d Session

S. 1322

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DIGEST OF PUBLIC LAW 806

COMMODITY CREDIT CORPORATION CHARTER ACT. Provides a Federal charter for that Corporation with a capitalization of \$100,000,000 and a borrowing authorization of \$4,750,000,000; states the purposes of the Corporation to be that of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities and products thereof, foods, feeds, and fibers, and of facilitating the orderly distribution of such commodities; grants the Corporation certain customary general powers, such as the right of corporate succession, the right to sue and be sued, the power to adopt, amend, and repeal bylaws, the power to enter into contracts, certain other general powers, and the following specific powers: (1) to support the prices of agricultural commodities through loans, purchases, payments, and other operations; (2) to make available materials and facilities required in connection with the production and marketing of agricultural commodities; (3) to procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements; (4) to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities; (5) to increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities; (6) to export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities; and (7) to carry out such other operations as the Congress may

specifically authorize or provide for; makes applicable to the Corporation all existing Federal statutes which applied to the Corporation under the Delaware charter, and makes certain Federal criminal statutes applicable to offenses against the Corporation; provides for a board of directors consisting of five members, all of whom, except the Secretary of Agriculture or his nominee, shall be appointed by the President and confirmed by the Senate; provides that not more than three members of the board may also be employees of the Corporation or the Department of Agriculture (or of any other department or agency of the Government), and that the board shall elect the chairman; provides for an executive staff, to be appointed by and responsible to the board, to have responsibility for the day-to-day conduct of the business of the Corporation; requires that the members of the executive staff devote full time to the conduct of the business of the Corporation; provides that the Secretary of Agriculture may appoint an interim board of five members, including the Secretary, to serve until Oct. 1, 1948; authorizes the Corporation to accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the Government, including the Department of Agriculture, any State, D. C., any territory or possession, or any political subdivision thereof; authorizes the use of associations and trade facilities on a contract or fee basis; provides that the Corporation shall not have the power to acquire or lease real property, any plant, or facility, except it may rent or lease office space and continue to lease property leased by it on the date of the enactment of this Act; and places a four-year limitation on the right of the Corporation to sue.

INDEX AND SUMMARY OF HISTORY ON S. 1322

April 17, 1947	House received from this Department a draft of proposed legislation which would be a permanent federal charter for CCC.
May 20, 1947	Senator Capper introduced S. 1322 which was referred to the Senate Committee on Agriculture and Forestry. Print of the bill as introduced.
January 19, 1948	Hearings: Senate, S. 1322.
March 24, 1948	Senate Committee reported S. 1322 with amendments. Senate Report 1022. Print of the bill as reported.
March 29, 1948	S. 1322 was passed over in the Senate.
April 12, 1948	Rep. Wolcott introduced H. R. 6214 which was referred to the House Committee on Banking and Currency. Print of the bill as introduced. (Similar bill).
April 13, 1948	Hearings: House, H. R. 6263.
April 15, 1948	Rep. Wolcott introduced H. R. 6263 which was referred to the House Committee on Banking and Currency. Print of the bill as referred. (Companion bill).
April 20, 1948	Amendments proposed by Senator Williams to S. 1322. Prints of the amendments.
April 22, 1948	Senate debated and passed S. 1322 with amendments. House Committee reported H. R. 6263 with amendments. House Report 1790. Print of the bill as reported.
June 15, 1948	House Rules Committee reported H. Res. 680 for the consideration of H. R. 6263. House Report 2362. Print of the Resolution.
June 18, 1948	House debated and passed S. 1322 in lieu of H. R. 6263. Language of H. R. 6263 substituted.
June 19, 1948	House and Senate Conferees appointed.
June 21, 1948	House received the Conference Report. H. Rept. 2444. Sen. Aiken inserted analysis as reported by conf. committee. House and Senate agreed to the Conference Report.
June 29, 1948	Approved. Public Law 806.
July 3, 1948	Statement by the President on signing S. 1322 and H. R. 6248.

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

Division of Legislative Reports
(For Department staff only)

Issued April 18, 1947
For actions of April 17, 1947
80th-1st, No. 72

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HIGHLIGHTS: House received proposed CCC charter; to Banking and Currency Committee. Senate committee reported bill to reincorporate Export-Import Bank. House to debate farm-labor bill Mon., and Interior appropriation bill Thurs.

HOUSE

1. COMMODITY CREDIT CORPORATION. Received from this Department a draft of proposed legislation which would be a permanent Federal charter for CCC, authorizing it to carry out the responsibilities of the Secretary in connection with price supports and to administer other programs of the Corporation now being carried on, which are enumerated in the 1948 Budget. To Banking and Currency Committee. (p. 3750.)
2. LABOR. Passed, 308-107, with amendments H. R. 3020, the labor-management bill (pp. 3694-748).
3. FOREIGN RELIEF. The Rules Committee reported a resolution for consideration of H. J. Res. 153, providing for relief and assistance to people of devastated countries (p. 3750).
4. PUBLIC LANDS. The Rules Committee reported H. Res. 93; to authorize the Public Lands Committee to investigate any matter under its jurisdiction (H. Rept. 275) (p. 3750).
5. TRANSPORTATION. The Rules Committee reported H. Res. 153; to authorize the Interstate and Foreign Commerce Committee to investigate the transportation situation (H. Rept. 277) (p. 3750).
6. COMMITTEE ASSIGNMENT. Rep. Herter, Mass., was appointed to the Joint Committee on the Economic Report in place of Rep. Judd, Minn., who resigned (pp. 3748-9).
7. DECENTRALIZATION. Rep. Stevenson, Wis., recommended decentralization of Government activities from D. C. to facilitate evacuation in case of a disaster (pp. 3693-4).

8. FLOOD CONTROL. Received flood-control survey reports on the Genesee, James, and Salinas Rivers (H. Docs. 206, 207, 208). To Public Works Committee. (p. 3750.)
9. RURAL REHABILITATION. Received this Department's report on progress of liquidation of Federal rural-rehabilitation projects. To Agriculture Committee. (p. 2750.)
10. FOOD MARKETING. Received from the Federal Security Agency a proposed bill to amend the Federal Food, Drug, and Cosmetic Act by providing for seizure of foods, etc., that become adulterated or misbranded while held for sale after interstate shipment. To Interstate and Foreign Commerce Committee. (p. 3750.)
11. ADJOURNED until Mon., Apr. 21 (p. 3750). As announced by the Majority Leader, next week's program includes the conference report on the farm-labor supply bill, to be considered Mon., and also the 1948 Interior appropriation bill, on which debate is to begin Thurs. (p. 3748).

SENATE

12. EXPORT-IMPORT BANK. The Banking and Currency Committee reported without amendment S. 993, to provide for the reincorporation of the Export-Import Bank of Washington (p. 3753).
13. FSCC AUDIT. Received from GAO an audit report on FSCC for the period July 1, 1945, to Mar. 14, 1947; to Expenditures in the Executive Departments Committee (p. 3752).
14. COMMITTEE. Agreed to S. Res. 99, to change the name of the Civil Service Committee to "Committee on Post Office and Civil Service" (p. 3753).
15. LABOR. The Labor and Public Welfare Committee reported an original bill, S. 1126, to amend the National Labor Relations Act, to provide additional facilities for the mediation of labor disputes, to equalize legal responsibilities of labor organizations and employers, and to prevent monopolistic labor practices (S. Rept. 105) (pp. 3753, 3786-7). Remarks (pp. 3786-7).
16. FOREIGN RELIEF. Continued debate on S. 938, the Greek-Turkish aid bill (pp. 3759-86).

BILLS INTRODUCED

17. LANDS; NATURAL RESOURCES. H. R. 3107, by Rep. Welch, Calif., to provide for the disposal of materials or resources on the public lands of the U. S. To Public Lands Committee. (p. 3750.)
18. DAIRY CONTRACTS. H. R. 3103, by Rep. Peterson, Fla., to provide equitable relief to contractors supplying dairy products to the armed forces and Veterans' Administration. To Judiciary Committee. (p. 3750.)
19. PERSONNEL. H. R. 3101, by Rep. Knutson, Minn., to extend until June 30, 1949, the period of time during which persons may serve in certain executive departments and agencies without being prohibited from acting as counsel, agent, or attorney for prosecuting claims against the U. S. by reason of having so served. To Ways and Means Committee. (p. 3750.)
20. SOCIAL SECURITY. H. R. 3097, by Rep. Bryson, S.C., to amend the Social Security Act so as to change the age for old-age and survivor benefits from 65 to 62.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.) the House, under its previous order, adjourned until Monday, April 21, 1947, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

560. A letter from the Secretary of the Navy, transmitting a report of the proposed transfer of various equipment to the State Historical Society of North Dakota, Bismarck, N. Dak.; the Port of New York Authority; Anderson Memorial Post, VFW, Anderson, S. C.; American Museum of Natural History, New York, N. Y.; to the Committee on Armed Services.

561. A letter from the Attorney General, transmitting a report reciting the facts and pertinent provisions of law in the cases of 151 individuals whose deportation has been suspended for more than 6 months under the authority vested in the Attorney General, together with a statement of the reason for such suspension; to the Committee on Judiciary.

562. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated May 24, 1946, submitting a report, together with accompanying papers and illustrations, on a review of report on the Genesee River, with respect to flood protection in the vicinity of Dansville, N. Y., requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on November 10, 1943 (H. Doc. No. 206); to the Committee on Public Works and ordered to be printed, with two illustrations.

563. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 18, 1946, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of James River, Va., authorized by the Flood Control Act approved on June 22, 1936, and section 6 of the River and Harbor Act approved on August 30, 1935 (H. Doc. No. 207); to the Committee on Public Works and ordered to be printed, with an illustration.

564. A letter from the Secretary of War, transmitting a letter from the Chief of Engineers, United States Army, dated April 29, 1946, submitting an interim report, together with accompanying papers and illustrations, on a preliminary examination and survey of Salinas River, Calif., authorized by the Flood Control Acts approved on June 22, 1936, and on August 28, 1937 (H. Doc. No. 208); to the Committee on Public Works and ordered to be printed, with four illustrations.

565. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill to provide a Federal charter for the Commodity Credit Corporation; to the Committee on Banking and Currency.

566. A letter from the Secretary of the Treasury, transmitting a report for the fiscal year ending June 30, 1946, of the Exchange Stabilization Fund, including a summary of operations of the fund from its establishment to June 30, 1946; to the Committee on Banking and Currency.

567. A letter from the Secretary, Department of Agriculture, transmitting a report on the progress of the liquidation of Federal rural rehabilitation projects; to the Committee on Agriculture.

568. A letter from the Administrator, Federal Security Agency, transmitting a draft of a proposed bill to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for seizure of foods, drugs, devices, and cosmetics that become adulterated or misbranded while held for

sale after interstate shipment, and for other purposes; to the Committee on Interstate and Foreign Commerce.

569. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill to authorize the Coast Guard to operate and maintain ocean stations; to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMAS of New Jersey: Committee on Un-American Activities. Report on American Youth for Democracy (Rept. No. 271). Referred to the Committee of the Whole House on the State of the Union.

Mr. GRAHAM: Committee on the Judiciary. H. R. 2237. A bill to correct an error in section 342 (b) (8) of the Nationality Act of 1940, as amended; with amendment (Rept. No. 272). Referred to the Committee of the Whole House on the State of the Union.

Mr. GRAHAM: Committee on the Judiciary. H. R. 2238. A bill to amend section 327 (h) of the Nationality Act of 1940; with amendment (Rept. No. 273). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOLCOTT: Committee on Banking and Currency. H. R. 2780. A bill to amend section 502 (a) of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes"; with amendments (Rept. No. 274). Referred to the Committee of the Whole House on the State of the Union.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 93. Resolution to authorize the Committee on Public Lands to make investigations into any matter within its jurisdiction, and for other purposes (Rept. No. 275). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 141. Resolution authorizing and directing the Committee on Armed Services to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (c) of the Rules of the House of Representatives (Rept. No. 276). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 153. Resolution to continue the authority of the Committee on Interstate and Foreign Commerce to investigate the transportation situation (Rept. No. 277). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 187. Resolution providing for the consideration of House Joint Resolution 153, providing for relief assistance to the people of countries devastated by war; without amendment (Rept. No. 278). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOYKIN:

H. R. 3096. A bill to amend the Civil Aeronautics Act of 1938, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BRYSON:

H. R. 3097. A bill to amend the Social Security Act, as amended, so as to change the age for old-age and survivor benefits from 65 to 62; to the Committee on Ways and Means.

By Mr. GOSSETT:

H. R. 3098. A bill to prohibit teaching, in schools, in or by means of any language

other than English, except the teaching of a foreign language; to the Committee on Education and Labor.

By Mr. VAN ZANDT:

H. R. 3099. A bill to provide for the retirement with pay of officers and enlisted personnel of the National Guard and Reserve Corps of the Army of the United States, the United States Naval and Marine Corps Reserve, and the United States Coast Guard Reserve; to the Committee on Armed Services.

By Mrs. DOUGLAS:

H. R. 3100. A bill to continue rent control until June 30, 1948; to the Committee on Banking and Currency.

By Mr. KNUTSON:

H. R. 3101. A bill to extend until June 30, 1949, the period of time during which persons may serve in certain executive departments and agencies without being prohibited from acting as counsel, agent, or attorney for prosecuting claims against the United States by reason of having so served; to the Committee on Ways and Means.

By Mr. YOUNGBLOOD:

H. R. 3102. A bill to amend the act of July 6, 1945, relating to the classification and compensation of employees of the postal service, so as to extend to supervisors the benefit of promotions based on faithful and meritorious service; to the Committee on Post Office and Civil Service.

By Mr. PETERSON:

H. R. 3103. A bill to provide equitable relief to contractors supplying dairy products to the armed forces and Veterans' Administration; to the Committee on the Judiciary.

By Mr. ALLEN of California:

H. R. 3104. A bill to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation school program of elementary and secondary schools which are both tax-supported and publicly controlled, and in reducing the inequalities of educational opportunities through public elementary and public secondary schools, for the general welfare, and for other purposes; to the Committee on Education and Labor.

By Mr. POWELL:

H. R. 3105. A bill to prohibit discrimination in employment because of race, religion, color, national origin, or ancestry; to the Committee on Education and Labor.

By Mr. WELCH:

H. R. 3106. A bill to reenact and amend the organic act of the United States Geological Survey by incorporating therein substantive provisions confirming the exercise of long-continued duties and functions and by redefining their geographic scope; to the Committee on Public Lands.

H. R. 3107. A bill to provide for the disposal of materials or resources on the public lands of the United States; to the Committee on Public Lands.

H. R. 3108. A bill to incorporate the Virgin Islands Corporation, and for other purposes; to the Committee on Public Works.

By Mr. AUGUST H. ANDRESEN:

H. R. 3109. A bill to authorize the coinage of 50-cent pieces in commemoration of the one hundredth anniversary of the organization of Minnesota as a Territory of the United States; to the Committee on Banking and Currency.

By Mr. ROBERTSON:

H. R. 3110. A bill providing for the per capita payment of certain moneys appropriated in settlement of certain claims of the Indians of the Fort Berthold Indian Reservation in North Dakota; to the Committee on Public Lands.

By Mr. VAN ZANDT:

H. J. Res. 171. Joint resolution to provide for designation of the Veterans' Administration hospital at Altoona, Pa., as the Corporal Harry R. Harr Veterans Hospital; to the Committee on Veterans' Affairs.

80TH CONGRESS
1ST SESSION

S. 1322

IN THE SENATE OF THE UNITED STATES

MAY 20 (legislative day, APRIL 21), 1947

MR. CAPPER introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To provide a Federal charter for the Commodity Credit Corporation.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Commodity Credit Cor-
4 poration Charter Act".

5 SEC. 2. CREATION AND PURPOSES.—For the purpose
6 of promoting the general welfare by stabilizing, supporting,
7 and protecting farm income and prices, by assisting in the
8 maintenance of balanced and adequate supplies of agricul-
9 tural commodities, products thereof, foods, feeds, and fibers
10 (hereinafter collectively referred to as "agricultural com-
11 modities"), and by facilitating the orderly distribution of

1 agricultural commodities, there is hereby created a body
2 corporate to be known as the Commodity Credit Corpora-
3 tion (hereinafter referred to as the "Corporation"), which
4 shall be an agency and instrumentality of the United States,
5 within the Department of Agriculture, subject to the general
6 direction and control of the Secretary of Agriculture (here-
7 inafter referred to as the "Secretary").

8 SEC. 3. OFFICES.—The Corporation may establish of-
9 fices in such place or places as it may deem necessary or
10 desirable in the conduct of its business.

11 SEC. 4. GENERAL POWERS.—The Corporation—

12 (a) Shall have succession in its corporate name.

13 (b) May adopt, alter, and use a corporate seal, which
14 shall be judicially noticed.

15 (c) May sue and be sued, but no attachment, injunc-
16 tion, garnishment, or other similar process, mesne or final,
17 shall be issued against the Corporation or its property. The
18 district courts of the United States, including the district
19 courts of the District of Columbia and of any Territory or
20 possession, shall have exclusive original jurisdiction of all
21 suits brought by or against the Corporation: *Provided*, That
22 the Corporation may intervene in any court in any suit,
23 action, or proceeding in which it has an interest. Any suit
24 against the Corporation shall be brought in the District
25 of Columbia, or in the district wherein the plaintiff resides

1 or is engaged in business. No suit against the Corporation
2 shall be allowed unless it shall have been brought within
3 two years after the right accrued on which suit is brought.
4 All suits against the Corporation shall be tried by the court
5 without a jury. Notwithstanding any other provision of
6 this Act, the Federal Tort Claims Act (Public Law 601,
7 Seventy-ninth Congress) shall be applicable to the Cor-
8 poration.

9 (d) May adopt, amend, and repeal bylaws, rules, and
10 regulations governing the manner in which its business
11 may be conducted and the powers vested in it may be
12 exercised.

13 (e) Shall have all the rights, privileges and immunities
14 of the United States, including, but not limited to, the right
15 to priority of payment with respect to debts due from in-
16 solvent, deceased, or bankrupt debtors, and immunity from
17 the imposition of court costs, fees, and charges, from the
18 allowance of interest on claims and judgments, and from
19 State and local statutes of limitations on suits, actions, or
20 proceedings. The Corporation may assert such rights, priv-
21 ileges, and immunities in any suit, action, or proceeding.

22 (f) Shall be entitled to the use of the United States
23 mails in the same manner and upon the same conditions as
24 the executive departments of the Federal Government.

25 (g) May enter into and carry out such contracts or

1 agreements as it deems necessary or desirable in the conduct
2 of its business. The Corporation may, whenever it deems it
3 necessary or desirable in the conduct of its business, consent
4 to the modification of any term or condition of any contract
5 or agreement of any kind to which it is a party. State and
6 local regulatory laws or rules shall not be applicable with
7 respect to contracts or agreements of the Corporation or the
8 parties thereto to the extent that such contracts or agreements
9 provide that such laws or rules shall not be applicable, or to
10 the extent that such laws or rules are inconsistent with such
11 contracts or agreements.

12 (h) May in any manner acquire, hold, and dispose of
13 such real and personal property or any interest therein as
14 it deems necessary or desirable in the conduct of its business.

15 (i) May borrow money subject to any provision of
16 law applicable to the Corporation.

17 (j) Shall determine the character of and the necessity
18 for its obligations and expenditures and the manner in which
19 they shall be incurred, allowed, and paid.

20 (k) Shall have authority to make final and conclusive
21 settlement and adjustment of any claims by or against the
22 Corporation or the accounts of its fiscal officers.

23 (l) May make such loans and advances of its funds
24 as it deems necessary or desirable in the conduct of its
25 business.

1 (m) May conduct researches, surveys, and investiga-
2 tions relating to the conduct of its business.

3 (n) Shall have such powers as may be necessary or
4 appropriate for the exercise of the powers specifically vested
5 in the Corporation, and all such incidental powers as are
6 customary in corporations generally.

7 SEC. 5. SPECIFIC POWERS.—In the fulfillment of its
8 purposes and in carrying out its annual budget programs
9 submitted to and approved by the Congress pursuant to the
10 Government Corporation Control Act (31 U. S. C., 1940
11 edition, Supp. V, 841), the Corporation is authorized to
12 use its general powers only to—

13 (a) Support the prices of agricultural commodities
14 through loans, purchases, payments, and other operations.

15 (b) Make available materials and facilities required in
16 connection with the production and marketing of agricul-
17 tural commodities.

18 (c) Procure agricultural commodities for sale to other
19 Government agencies, foreign governments, and domestic,
20 foreign, or international relief or rehabilitation agencies, and
21 to meet domestic requirements.

22 (d) Remove and dispose of or aid in the removal or
23 disposition of surplus agricultural commodities.

24 (e) Increase the domestic consumption of agricultural
25 commodities by expanding or aiding in the expansion of

1 domestic markets or by developing or aiding in the develop-
2 ment of new and additional markets, marketing facilities, and
3 uses for such commodities.

4 (f) Export or cause to be exported, or aid in the
5 development of foreign markets for, agricultural commodities.

6 (g) To the extent specifically authorized by law, make
7 payments with respect to, or purchases for resale at a loss of,
8 agricultural commodities, for the purpose of maintaining the
9 maximum prices established under the Emergency Price
10 Control Act of 1942, as amended.

11 (h) Carry out such other operations as the Congress
12 may authorize or provide for.

13 SEC. 6. EXISTING STATUTES APPLICABLE TO THE
14 CORPORATION.—The Federal statutes applicable to Com-
15 modity Credit Corporation, a Delaware corporation, shall be
16 applicable to the Corporation. Commodity Credit Corpora-
17 tion, a Delaware corporation, shall cease to be an agency
18 of the United States as provided in section 7 (a) of the Act
19 of January 31, 1935, as amended (15 U. S. C., 1940 edition,
20 Supp. V, 713 (a)).

21 SEC. 7. CAPITAL STOCK.—The Corporation shall have
22 a capital stock of \$100,000,000 which shall be subscribed by
23 the United States. Such subscription shall be deemed to be
24 fully paid by the transfer of assets to the Corporation pursu-
25 ant to section 16 of this Act. The Secretary is hereby

1 authorized and directed to receive such stock and to exercise,
2 on behalf of the United States, any and all rights of the
3 United States arising out of the ownership of such stock.

4 SEC. 8. FUNDS.—The Corporation is authorized to use
5 in the conduct of its business all its funds and other assets,
6 including capital and net earnings therefrom, and all funds
7 and other assets which have been or may hereafter be
8 transferred or allocated to, borrowed by, or otherwise
9 acquired by it.

10 SEC. 9. DIRECTORS.—The management of the Corpora-
11 tion shall be vested in a Board of Directors (hereinafter
12 referred to as the “Board”), subject to the general direction
13 and control of the Secretary who shall be a director and
14 serve as Chairman of the Board. The Board shall consist
15 of not less than three or more than eleven persons employed
16 in the Department of Agriculture who shall be appointed
17 by and hold office at the pleasure of the Secretary. The
18 directors so appointed shall receive no compensation for
19 their services as directors. Nothing herein contained shall
20 preclude any director from serving the Corporation in any
21 other capacity and receiving compensation therefor.

22 SEC. 10. PERSONNEL OF CORPORATION.—The Secre-
23 tary shall appoint such officers and employees as may be
24 necessary for the conduct of the business of the Corporation,
25 define their authority and duties, delegate to them such

1 of the powers vested in the Corporation as he may deter-
2 mine, require that such of them as he may designate be
3 bonded and fix the penalties therefor. The Corporation
4 may pay the premium of any bond or bonds. With the
5 exception of experts, appointments shall be made pursuant
6 to the civil-service laws and the Classification Act of 1923,
7 as amended (5 U. S. C., 1940 edition, 661).

8 SEC. 11. COOPERATION WITH OTHER GOVERNMENTAL
9 AGENCIES.—The Corporation may, with the consent of the
10 agency concerned, accept and utilize, on a compensated or
11 uncompensated basis, the officers, employees, services, facil-
12 ities, and information of any agency of the Federal Govern-
13 ment, including any bureau, office, administration, or other
14 agency of the Department of Agriculture, and of any State,
15 the District of Columbia, any Territory or possession, or any
16 political subdivision thereof. The Corporation may allot
17 to any bureau, office, administration, or other agency of
18 the Department of Agriculture or transfer to such other
19 agencies as it may request to assist it in the conduct of its
20 business any of the funds available to it for administrative
21 expenses. The personnel and facilities of the Corporation
22 may, with the consent of the Corporation, be utilized on a
23 reimbursable basis by any agency of the Federal Govern-
24 ment, including any bureau, office, administration, or other

1 agency of the Department of Agriculture, in the performance
2 of any part or all of the functions of such agency.

3 SEC. 12. UTILIZATION OF ASSOCIATIONS AND TRADE
4 FACILITIES.—The Corporation may, in the conduct of its
5 business, utilize on a contract or fee basis, committees or
6 associations of producers, producer-owned and producer-
7 controlled cooperative associations, and trade facilities.

8 SEC. 13. RECORDS; ANNUAL REPORT.—The Corpora-
9 tion shall at all times maintain complete and accurate books
10 of account and shall file annually with the Secretary a com-
11 plete report as to the business of the Corporation, a copy of
12 which shall be forwarded by the Secretary to the President
13 for transmission to the Congress.

14 SEC. 14. INTEREST OF MEMBERS OF THE CONGRESS.—
15 The provisions of section 1 of the Act of February 27, 1877,
16 as amended (41 U. S. C., 1940 edition, 22), shall apply to
17 all contracts or agreements of the Corporation, except con-
18 tracts or agreements of a kind which the Corporation may
19 enter into with farmers participating in a program of the
20 Corporation.

21 SEC. 15. CRIMES AND OFFENSES.—

22 FALSE STATEMENTS; OVERVALUATION OF SECURITIES

23 (a) Whoever makes any statement knowing it to be
24 false, or whoever willfully overvalues any security, for the

1 purpose of influencing in any way the action of the Corpora-
2 tion, or for the purpose of obtaining for himself or another
3 money, property, or anything of value, under this Act, or
4 under any other Act applicable to the Corporation, shall,
5 upon conviction thereof, be punished by a fine of not more
6 than \$10,000 or by imprisonment for not more than five
7 years, or both.

8 EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUD-
9 ULENT ISSUE OF OBLIGATIONS OF CORPORATION

10 (b) Whoever, being connected in any capacity with
11 the Corporation or any of its programs, (i) embezzles,
12 abstracts, purloins, or willfully misapplies any money, funds,
13 securities, or other things of value, whether belonging to
14 the Corporation or pledged or otherwise entrusted to it;
15 or (ii) with intent to defraud the Corporation, or any other
16 body, politic or corporate, or any individual, or to deceive
17 any officer, auditor, or examiner of the Corporation, makes
18 any false entry in any book, report, or statement of, or to,
19 the Corporation, or draws any order, or issues, puts forth
20 or assigns any note or other obligation or draft, mortgage,
21 judgment, or decree thereof; or (iii) with intent to de-
22 fraud the Corporation, participates or shares in, or receives
23 directly or indirectly any money, profit, property, or benefits
24 through any transaction, loan, commission, contract, or any
25 other act of the Corporation, shall, upon conviction thereof,

1 be punished by a fine of not more than \$10,000 or by
2 imprisonment for not more than five years, or both.

3 LARCENY; CONVERSION OF PROPERTY

4 (c) Whoever shall willfully steal, conceal, remove, dis-
5 pose of, or convert to his own use or to that of another any
6 property owned or held by, or mortgaged or pledged to, the
7 Corporation, shall, upon conviction thereof, be punished by a
8 fine of not more than \$10,000 or by imprisonment for not
9 more than five years, or both.

10 CONSPIRACY TO COMMIT OFFENSE

11 (d) Whoever conspires with another to accomplish any
12 of the acts made unlawful by the preceding provisions of this
13 section shall, upon conviction thereof, be subject to the same
14 fine or imprisonment, or both, as is applicable in the case
15 of conviction for doing such unlawful acts.

16 - GENERAL STATUTES APPLICABLE

17 (e) All the general penal statutes relating to crimes and
18 offenses against the United States shall apply with respect
19 to the Corporation, its property, money, contracts and agree-
20 ments, employees, and operations: *Provided*, That such
21 general penal statutes shall not apply to the extent that they
22 relate to crimes and offenses punishable under subsections
23 (a), (b), (c), and (d) of this section: *Provided further*,
24 That sections 114 and 115 of the Act of March 4, 1909, as
25 amended (18 U. S. C., 1940 edition, 204, 205) shall not

1 apply to contracts or agreements of a kind which the Corpo-
2 ration may enter into with farmers participating in a program
3 of the Corporation.

4 SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT
5 CORPORATION, A DELAWARE CORPORATION.—The assets,
6 funds, property, and records of Commodity Credit Corpora-
7 tion, a Delaware corporation, are hereby transferred to the
8 Corporation. The rights, privileges, and powers, and the
9 duties and liabilities of Commodity Credit Corporation, a
10 Delaware corporation, in respect to any contract, agreement,
11 loan, account, or other obligation shall become the rights,
12 privileges, and powers, and the duties and liabilities, respec-
13 tively, of the Corporation. The enforceable claims of or
14 against Commodity Credit Corporation, a Delaware corpora-
15 tion, shall become the claims of or against, and may be
16 enforced by or against the Corporation.

17 SEC. 17. DISSOLUTION OF DELAWARE CORPORA-
18 TION.—The Secretary, representing the United States as the
19 sole owner of the capital stock of Commodity Credit Corpo-
20 ration, a Delaware corporation, is hereby authorized and
21 directed to institute or cause to be instituted such proceedings
22 as are required for the dissolution of said corporation under
23 the laws of the State of Delaware. The costs of such dissolu-
24 tion of said corporation shall be borne by the Corporation.

25 SEC. 18. CORPORATION ADMINISTRATIVE ACCOUNTS.—

1 In the event that the personnel or facilities of any bureau,
2 office, administration, or other agency of or within the
3 Department of Agriculture, including the Corporation, are
4 utilized in the performance of functions, including those of
5 the Corporation, for which separate funds are available, the
6 Secretary of the Treasury is authorized and directed, upon
7 the request of the Secretary, to establish one or more separate
8 accounts into which there may be transferred, by advance
9 payment or reimbursement, all or any part, as determined by
10 the Secretary, of the funds available for administrative
11 expenses in the performance of such functions. The funds so
12 transferred shall be expended only for the purpose for which
13 appropriated or made available.

80TH CONGRESS
1ST Session

S. 1322

A BILL

To provide a Federal charter for the Commodity Credit Corporation.

By Mr. CAPPER

MAY 20 (legislative day, APRIL 21), 1947

Read twice and referred to the Committee on
Agriculture and Forestry

PROVIDING A FEDERAL CHARTER FOR THE COMMODITY
CREDIT CORPORATION

MARCH 24 (legislative day, MARCH 15), 1948.—Ordered to be printed

Mr. AIKEN, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[To accompany S. 1322]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, having considered the same, report thereon with a recommendation that it do pass with amendments.

On page 1, beginning with line 6, strike out all down to and including line 11 and insert in lieu thereof the following:

of stabilizing, supporting, and protecting farm income and prices, assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as "agricultural commodities"), and facilitating the orderly distribution of

On page 4, line 16, after the period insert the following:

The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power under the Act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

On page 5, beginning with line 1, strike out all down to and including line 6 and insert in lieu thereof the following:

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

On page 6, beginning with line 6, strike out all down to and including line 12 and insert in lieu thereof the following:

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

On page 7, line 3, after the period insert the following:

The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the corporation purchased by the Secretary of the Treasury pursuant to the Act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

At the end of the bill add a new section to read as follows:

SEC. 19. EFFECTIVE DATE.—This Act shall take effect on July 1, 1948.

The report of the subcommittee appointed for the consideration of S. 1322 is attached hereto and adopted as the report of the committee. In addition a copy of a letter from Hon. Clinton P. Anderson, Secretary of Agriculture, urging enactment of the legislation is also attached hereto and made a part of said report.

REPORT OF THE SUBCOMMITTEE OF THE COMMITTEE ON AGRICULTURE AND FORESTRY ON S. 1322

The subcommittee of the Committee on Agriculture and Forestry, appointed for the consideration of S. 1322 to provide a Federal charter for the Commodity Credit Corporation, hereby reports to the committee with the recommendation that the bill be enacted with the following amendments:

On page 1, beginning with line 6, strike out all down to and including line 11 and insert in lieu thereof the following: "of stabilizing, supporting, and protecting farm income and prices, assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as 'agricultural commodities'), and facilitating the orderly distribution of".

On page 4, line 16, after the period insert the following: "The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power under the Act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs."

On page 5, beginning with line 1, strike out all down to and including line 6 and insert in lieu thereof the following:

"(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture."

On page 6, beginning with line 6, strike out all down to and including line 12 and insert in lieu thereof the following:

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

On page 7, line 3, after the period insert the following:

The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the Act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

At the end of the bill add a new section to read as follows:

SEC. 19. EFFECTIVE DATE.—This Act shall take effect on July 1, 1948.

The Commodity Credit Corporation was created under the laws of the State of Delaware on October 16, 1933, pursuant to Executive order of the President. It has been continued as an agency of the United States since that time and was transferred to the Department of Agriculture in 1939. The Government Corpo-

ration Control Act of 1946 requires that any wholly owned Government corporation, created by or under the laws of any State, must be reincorporated by act of Congress by June 30, 1948, if such corporation is to continue as an agency of the United States. The subcommittee believes the maintenance of the Commodity Credit Corporation as an agency of the Federal Government is essential and therefore recommends the passage of S. 1322.

PROPOSED AMENDMENTS

The general welfare clause in section 2 is deleted as it is not considered necessary to the bill although similar language is contained in other Federal charters of Government corporations.

The amendment of the bill to require that contractual obligations of the Corporation to purchase loans made by its lending agencies under its programs should be subject to the limitation on its borrowing authority carries out the present policy of the Corporation in that respect.

The requirement that any research finance by the Corporation be restricted to commodities owned or controlled by it and be conducted in collaboration with the Department's research agencies is designed to centralize research functions in the interest of economy and coordination.

The deletion of paragraph (g) of section 5 is a perfecting amendment in that the language is no longer applicable since the Emergency Price Control Act of 1942 is not in force.

The bill is amended to require the Corporation to pay interest on its capital stock and on amounts borrowed by it from the Treasury at rates prescribed by the Secretary of the Treasury in view of the terms for which such amounts are made available. The Corporation does not now pay interest on its capital stock, but otherwise this would not change the present policy of the Corporation.

An effective date is inserted in the bill which would make the bill effective on July 1, 1948. The authority of the Delaware corporation to act as an agency of the United States expires on June 30, 1948, so this provision would provide for continuity of operation and provide that the transfer occur at the end of a fiscal year.

GENERAL STATEMENT

At present the Commodity Credit Corporation is an essential agency in administering the comprehensive farm-price-support program of the Federal Government. As this program or a modification of it is expected to continue as a long-term policy and program of the Government, it becomes necessary to maintain the Commodity Credit Corporation largely in its present form or, in any event, an agency similar to it.

Besides its function in carrying out provisions of the price-support program, the Corporation has been used effectively in many other governmental programs, especially during the war period. It has provided a centralized purchasing agency for farm products for foreign aid, lend-lease programs, and other departments of government. The subcommittee firmly believes this type of purchasing is essential to eliminate competition between various governmental agencies seeking farm products and to coordinate all purchase programs of agricultural commodities in order to achieve greater efficiency and economy.

The complexity of the demands on the Commodity Credit Corporation is apparent. Its obligations under the price-support programs cannot be readily ascertained. Emergency purchase programs cannot be foreseen at a given time during the year. It is the opinion of the subcommittee that flexibility of operation must be provided in order to carry out these responsibilities. The corporate structure within the Department of Agriculture which provides close integration with other activities of the Department and the fiscal procedure provided for by present law are considered essential for the effective operation of the Corporation.

Therefore, the subcommittee recommends the enactment of the legislation, as amended, and urges favorable action by the committee as soon as practicable.

GEORGE D. AIKEN, *Chairman*.
MILTON R. YOUNG.
EDWARD J. THYE.
ALLEN J. ELLENDER.
CLYDE R. HOEY.

DEPARTMENT OF AGRICULTURE,
Washington, April 16, 1947.

HON. ARTHUR H. VANDENBERG,
President pro tempore, United States Senate.

DEAR MR. PRESIDENT: Section 304 (b) of the Government Corporation Control Act (Public Law 248, 79th Cong.) provides that no wholly owned Government corporation, created by or under the laws of any State, shall continue after June 30, 1948, as an agency or instrumentality of the United States. That section further provides that prior to June 30, 1948, any such State-chartered wholly owned corporation may be reincorporated by act of the Congress. The Senate and House Committees on Appropriations, in reporting on the Government corporation appropriation bill, 1947, requested, if it were proposed that any wholly owned Government State-chartered corporation be continued after June 30, 1948, that recommendations with respect to the necessary legislation to accomplish that purpose be transmitted to the Congress at the time the 1948 budget is submitted (S. Rept. 1617, 79th Cong., 2d sess., p. 3; H. Rept. 2269, 79th Cong., 2d sess., pp. 3 and 4).

The Commodity Credit Corporation is a State-chartered corporation wholly owned by the United States. The President, in his budget message to the Congress this year, recommended that the Commodity Credit Corporation be rechartered by act of the Congress and that its present borrowing authority of \$4,750,000,000 be renewed (H. Doc. No. 19, 80th Cong., 1st sess., p. M 36). In conformity, therefore, with the request of the Senate and House Committees on Appropriations, there is herewith transmitted a draft of legislation to provide a Federal charter for the Commodity Credit Corporation which we recommend for enactment.

There is also enclosed a statement which analyzes the provisions of the proposed legislation and, as background for its consideration, reviews the creation, purpose, financial structure, management, and operations of the State-chartered Commodity Credit Corporation which would be replaced by the federally chartered Corporation. Since the enclosed statement is comprehensive, it is unnecessary to discuss further the details of the proposed legislation. I do wish to emphasize, however, the extreme importance of the legislation. The Commodity Credit Corporation has, during the more than 13 years that it has been in existence, played a vital role in stabilizing, supporting, and protecting farm income and prices, assisting in the maintenance of balanced and adequate supplies of agricultural commodities, foods, feeds, and fibers, and facilitating their orderly distribution. The Corporation is the agency through which the Government's price-support commitments to farmers are carried out. It is, in my opinion, essential to the welfare of American agriculture in the uncertain periods ahead that it have available a Federal agency with the flexible authority in the field of agriculture which is vested by the enclosed charter in the Commodity Credit Corporation.

Your attention is called to the fact that the status of the Commodity Credit Corporation, a Delaware corporation, as an agency of the United States, expires as of the close of business June 30, 1947. Therefore, in order that Commodity Credit Corporation may continue as an agency of the United States beyond June 30, 1947, it will be necessary that legislation be enacted prior to June 30, 1947, providing a Federal charter for the Corporation, or that legislation be enacted prior to June 30, 1947, authorizing the existing Corporation to continue as an agency of the United States.

The Bureau of the Budget advises that it has no objection to this submission.
Sincerely yours,

CLINTON P. ANDERSON, *Secretary.*

STATEMENT IN CONNECTION WITH THE COMMODITY CREDIT CORPORATION CHARTER BILL

This statement is prepared in two parts.

Part I reviews the creation, purpose, financial structure, management, and operations of the Delaware corporation, and the laws directing or limiting its operations, in order that the Congress may have an adequate background for consideration of the proposed Federal charter.

Part II contains a section-by-section analysis of the proposed Commodity Credit Corporation Charter Act which creates a Federal corporation to be known as the Commodity Credit Corporation. This Corporation will replace the existing Commodity Credit Corporation, which is a Delaware corporation. Section 304 (b) of the Government Corporation Control Act (31 U. S. C., 1940 ed., Sup. V,

869) requires that wholly owned Government corporations incorporated under State law be reincorporated by act of the Congress in order to continue as agencies or instrumentalities of the United States after June 30, 1948.

PART I. THE DELAWARE CORPORATION

Creation and purposes

Commodity Credit Corporation was created under the laws of the State of Delaware pursuant to Executive Order No. 6340, dated October 16, 1933, issued by virtue of the authority vested in the President by section 2 (a) of the National Industrial Recovery Act of June 16, 1933 (48 Stat. 195). The act of January 31, 1935 (49 Stat. 1), directed that the Corporation should "continue until April 1, 1937, or such earlier date as may be fixed by the President by Executive order, to be an agency of the United States." The Corporation has been continued as an agency of the United States until June 30, 1948, by successive amendments to the act of January 31, 1935 (50 Stat. 5, 53 Stat. 510, 55 Stat. 498, 57 Stat. 566, 57 Stat. 643, 58 Stat. 105, 59 Stat. 50, 61 Stat. 201; 15 U. S. C., 1940 ed., Sup. V, 713). By section 401 of the President's Reorganization Plan No. 1 (5 U. S. C., 1940 ed., 133t, note) and section 501 of the President's Reorganization Plan No. 3 of 1946, the Corporation was made a part of the United States Department of Agriculture, and the Secretary of Agriculture was given the responsibility of general direction, supervision, and administration of its operations.

The charter of the Commodity Credit Corporation authorizes the Corporation, among other things, to engage in buying, selling, lending, and other activities with respect to agricultural commodities, products thereof, and related facilities. These charter powers have enabled the Corporation to engage in extensive operations for the purpose of stabilizing, supporting, and protecting farm income and prices, and assisting in the maintenance of balanced and adequate supplies, and facilitating the orderly distribution of agricultural commodities, products thereof, foods, feeds, and fibers. During the war emergency the operations of the Commodity Credit Corporation have played a vital role in increasing production, stabilizing prices, assuring adequate supplies, and facilitating the efficient distribution of agricultural commodities, products thereof, foods, feeds, and fibers.

Congressional mandates and limitations

Many of the Corporation's operations have been carried out in response to specific congressional mandates. The Congress has also placed certain specific limitations upon the operations of the Corporation.

Although prior to 1938 the Congress did not, by legislation, deal with the scope and character of the Corporation's price-support operations, Congress has since enacted legislation which has largely shaped such operations. The Agricultural Adjustment Act of 1938, as amended (7 U. S. C., 1940 ed., 1302; 7 U. S. C., 1940 ed., Sup. V, 1359), directed the Corporation to make nonrecourse loans to producers on wheat, cotton, corn, and peanuts, in the absence of producer disapproval of marketing quotas, at rates varying from 50 to 75 percent of the parity price of the commodity, and authorized the Corporation to make nonrecourse loans available to producers on other agricultural commodities, including dairy products, at rates recommended by the Secretary of Agriculture and approved by the President. The act of May 26, 1941, as amended (7 U. S. C., 1940 ed., Sup. V, 1330, 1340), directed the Corporation, in the absence of producer disapproval of marketing quotas, to make loans, with certain exceptions, upon the 1941-46 crops of wheat, cotton, corn, rice, tobacco, and peanuts at the rate of 85 percent of parity. This act, however, was superseded by section 8 of the Stabilization Act of 1942, as amended (50 U. S. C., App., 1940 ed., Sup. V, 968), which requires, with certain exceptions, that loans be made to producers upon any crop (unless a marketing quota for the crop has been disapproved by producers) of the basic commodities—cotton, corn, wheat, rice, tobacco, and peanuts—harvested after December 31, 1941, and before the expiration of the 2-year period beginning with the 1st day of January immediately following the date upon which the President, by proclamation, or the Congress, by concurrent resolution, declares that hostilities in the present war have terminated. The rate of the loan is required to be 90 percent of parity in the case of all the basic commodities other than cotton and 92½ percent of parity in the case of cotton. As a result of the President's proclamation of the cessation of hostilities in World War II (Dec. 31, 1946; 12 F. R. 1), the Corporation's obligation to make the loans directed by section 8 of the Stabilization Act of 1942, as amended, will end with the 1948 crops, and loans on the commodities involved would thereafter be

governed by the Agricultural Adjustment Act of 1938, as amended. The act of July 28, 1945 (7 U. S. C., 1940 ed., Sup. V, 1312, note), directs the Commodity Credit Corporation, beginning with the 1945 crop, to make loans available upon fire-cured, dark air-cured, and Virginia sun-cured tobacco, if producers have not disapproved marketing quotas, at a loan rate equal to 75 percent of the loan rate for burley tobacco in the case of fire-cured tobacco, and at a loan rate equal to 66 $\frac{2}{3}$ percent of the loan rate for burley tobacco in the case of dark air-cured and Virginia sun-cured tobacco.

Section 4 (a) of the act of July 1, 1941, as amended, the so-called Steagall amendment (15 U. S. C., 1940 ed., Sup. V, 713a-8 (a)), requires the Corporation, during the period ending December 31, 1948, to provide, through loans, purchases, or other operations, price support at not less than 90 percent of the parity or comparable price for producers of the nonbasic agricultural commodities for which the Secretary of Agriculture, by formal public announcement, has requested an expanded production to meet the needs of the war emergency. The Steagall commodities are: hogs, eggs, chickens, and turkeys, milk and butterfat, dry peas of certain varieties, dry edible beans of certain varieties, soybeans for oil, peanuts for oil, flaxseed for oil, American Egyptian cotton, potatoes, and sweet-potatoes.

Section 4 (b) of the act of July 1, 1941 (15 U. S. C., 1940 ed., Sup. V, 713a-8 (b)), declares it to be the policy of Congress that the lending and purchase operations of the Department shall be carried out so as to bring the price and income of the producers of commodities other than the basic and Steagall commodities to a fair parity relationship with the basic commodities and the Steagall commodities to the extent that funds for such operations are available, after taking into account the operations with respect to basic commodities and Steagall commodities and the ability of producers to bring supplies into line with demand.

Additional direction was given by the Congress in the Wool Price Support Act of 1948 (61 Stat. 769), which requires the Corporation to continue supporting the price of wool at 1946 support levels until December 31, 1948, and in the Anti-Inflation Act of December 30, 1947 (Public, No. 395, 80th Cong.), which authorizes the Corporation to carry out projects to stimulate and increase the production of foods, agricultural commodities, and products thereof, in non-European foreign countries, if such projects are first submitted to the Congress and are not disapproved by it.

The limitations placed upon the operations of the Corporation by the Congress consist principally of a limitation of the period during which it is authorized to function as an agency of the United States and of limitations upon the disposition of agricultural commodities. By limiting the period during which the Corporation has been authorized to function as an agency of the United States, Congress has made it necessary for the Corporation to obtain congressional action at least every 2 years, authorizing the Corporation to continue as such agency. The act of June 30, 1947 (61 Stat. 201), continued the Corporation as an agency of the United States until June 30, 1948.

The act of April 12, 1945, prohibits, with certain exceptions, the disposition by the Commodity Credit Corporation of farm commodities at less than the parity or comparable price for a period of 2 years after the proclamation of cessation of hostilities (7 U. S. C., 1940 ed., Supp. V, 1381, note). However, it permits the disposal of farm commodities below the parity or comparable price if they have substantially deteriorated in quality or if there is danger of loss or waste through spoilage; permits the sale of farm commodities for feed at less than parity, except that wheat cannot be sold for feed at less than the parity price for corn; permits the sale of farm commodities below parity or the comparable price if they are sold for seed or are sold for new or byproduct uses, or, in the case of peanuts, for the extraction of oil; and permits sales of farm commodities for export at less than parity.

The Surplus Property Act of 1944 (50 U. S. C. app., 1940 ed., Supp. V, 1630), also contains a significant exception to the restriction applicable to the disposition of farm commodities. That act authorizes the Corporation to dispose of or cause to be disposed of for cash or its equivalent in goods or for adequately secured credit, for export only, and at competitive world prices, any farm commodity or product thereof without regard to restrictions with respect to the disposal of commodities imposed upon it by any other law. No food or food product may, under the act, be exported if there is a domestic shortage or need of any such food or food product.

Additional exceptions are contained in the Wool Price Support Act of 1948 (61 Stat. 769), which permits the Corporation, until December 31, 1948, to dispose of wool owned by it without regard to any restriction imposed upon it by law, and

in the Foreign Aid Act of 1947 (Public Law 389, 80th Cong.), which provides for the utilization of price-support commodities in giving assistance and relief to foreign countries under any act and authorizes their disposition at such price as may be determined by the Corporation, which price may be the equivalent of the domestic market price of a quantity of wheat having a caloric value equal to that of the quantity of the commodity so disposed of.

The Congress has also taken action in connection with the Corporation's operations to supply other Government agencies with their food requirements. Thus section 4 of the act of July 16, 1943 (15 U. S. C., 1940 ed., Sup. V, 713a-9), requires that the Corporation be fully reimbursed for services performed, losses sustained, operating costs incurred, or commodities purchased or delivered to or on behalf of any Government agency, from the appropriate funds of such agency, and section 11 (e) of the Foreign Aid Act of 1947 (Public Law 389, 80th Cong.) directs the Secretary of the Treasury to cancel notes of the Corporation in the amount of losses incurred as a result of disposition of price-support commodities for foreign aid under the section. The amount of losses which might be incurred by the Corporation through sales of commodities in accordance with the terms of section 11(e) was limited to \$57,500,000 by the Third Supplemental Appropriation Act of 1948 (Public Law 393, 80th Cong.).

The Corporation is, of course, subject to the Government Corporation Control Act (31 U. S. C., 1940 ed., Sup. V, 841), which requires submission by the Corporation to the Congress, for its approval, of annual budget programs, and provides for a commercial type audit of the Corporation's financial transactions by the General Accounting Office. It may be noted that the audit provisions of the Government Corporation Control Act were adopted by the Congress from a prior act which provided for a commercial type audit of the Commodity Credit Corporation (15 U. S. C., 1940 ed., Sup. V, 713). This latter act had been developed jointly by the Commodity Credit Corporation and the Comptroller General and recommended to the Congress.

Financial structure

The Commodity Credit Corporation was originally capitalized for \$3,000,000 subscribed by the Secretary of Agriculture and the Governor of the Farm Credit Administration. The funds for such subscription were derived from the appropriation authorized by section 220 of the National Industrial Recovery Act (48 Stat. 210) and made by the Fourth Deficiency Act, fiscal year 1933 (48 Stat. 274). In accordance with the act of April 10, 1936 (15 U. S. C., 1940 ed., 713a), the Corporation's capitalization was increased to \$100,000,000, the additional \$97,000,000 of the Corporation's stock being acquired by the Reconstruction Finance Corporation. By section 3 of the act of March 8, 1938 (15 U. S. C., 1940 ed., 713a-3), the Secretary of Agriculture, the Governor of the Farm Credit Administration, and the Reconstruction Finance Corporation were directed to transfer the ownership of the stock of the Corporation to the United States. That section also provided that all rights of the United States arising out of the ownership of such stock should be exercised by the President of the United States or by such officers or agencies as he might designate. Executive Order 8219, issued August 7, 1939 (4 F. R. 3565), transferred to the Secretary of Agriculture the authority to exercise on behalf of the United States all rights arising out of the ownership of the stock of the Commodity Credit Corporation. The act of March 8, 1938, as amended (15 U. S. C., 1940 ed., Sup. V, 713a-1), provides for an annual appraisal of the Corporation's assets by the Secretary of the Treasury. The Secretary of the Treasury is directed to restore the amount of any capital impairment disclosed by the appraisal from appropriations made for that purpose (15 U. S. C., 1940 ed., Sup. V, 713a-1), and the Corporation is directed to pay into the Treasury the amount of any net worth in excess of \$100,000,000 (15 U. S. C., 1940 ed., 713a-2).

In accordance with the act of February 18, 1946 (60 Stat. 6), \$500,000,000 was paid to the Corporation to be held as a reserve for postwar price support of agriculture. With the issuance of Presidential Proclamation No. 2714 (12 F. R. 1), declaring the cessation of hostilities on December 31, 1946, the postwar period for the purposes of this reserve began on January 1, 1947. The Corporation consequently has charged all price-support losses recorded on or after January 1, 1947, against this reserve.

The act of March 8, 1938 (52 Stat. 108), authorized the Corporation, with the approval of the Secretary of the Treasury, to issue and have outstanding bonds, notes, debentures, and similar obligations in an aggregate amount not to exceed \$500,000,000, fully guaranteed as to principal and interest by the United States

Government. The borrowing power of the Corporation was increased by successive amendments to the act of March 8, 1938 (53 Stat. 510, 54 Stat. 782, 55 Stat. 498, 57 Stat. 566, 59 Stat. 50; 15 U. S. C., 1940 ed., Sup. V, 713a-4), and now, by virtue of the act of April 12, 1945 (59 Stat. 50), the Corporation is authorized to borrow \$4,750,000,000 on the credit of the United States.

Management

The Secretary of Agriculture who, pursuant to Executive Order No. 8219, issued August 7, 1939 (4 F. R. 3565), represents the United States as the sole owner of the capital stock of the Commodity Credit Corporation, prescribes the bylaws of the Corporation, and elects the members of the Board of Directors and other officials of the Corporation. The Corporation is managed by an active Board of Directors, of which the Secretary of Agriculture is Chairman. The operations of the Corporation are carried out through the facilities and personnel of the Production and Marketing Administration of the Department of Agriculture. The members of the Board of Directors, other than the Secretary of Agriculture, are the Under Secretary of Agriculture and the Assistant Secretary of Agriculture and five policy-making officials of the Production and Marketing Administration. The officers of the Corporation are also officials occupying responsible positions in that Administration.

Operations

¶ The current operations of the Corporation group themselves into the following major types of programs: (a) A price-support program; (b) a supply program; (c) a foreign purchase program; (d) a commodity export program; and (e) a loan program for agricultural conservation purposes.

(a) *Price-support program.*—Under its price-support program the Commodity Credit Corporation, through loans, purchases, and other operations, supports the prices of various agricultural commodities. The purpose of the program is to place a floor under the price of agricultural commodities by assuring farmers a minimum price. This program has been a vital factor in obtaining the expanded production of agricultural commodities needed to meet the requirements of the war emergency and in sustaining production at desired levels to meet our postwar needs. The stabilizing of prices during the postwar period will aid farmers in reconverting to a normal peacetime production. The Corporation carries out its price-support program by authority of its charter powers to buy, sell, lend, and engage in other activities with respect to agricultural commodities and their products. To a large extent the Congress has by specific legislation directed that these charter powers be used to support the price of certain agricultural commodities. This legislation has been discussed in some detail in that part of this statement entitled "Congressional Mandates and Limitations."

The price-support program may be generally divided into the following categories:

(1) Mandatory price support:

(i) Loans made available upon the basic commodities—corn, cotton, peanuts, rice, tobacco, and wheat—in accordance with section 8 of the Stabilization Act of 1942, as amended (50 U. S. C. App., 1940 ed., Sup. V, 968), and the act of July 28, 1945 (7 U. S. C., 1940 ed., Sup. V, 1312, note).

(ii) Loans, purchases, or other operations pursuant to section 4 (a) of the act of July 1, 1941, as amended, the so-called Steagall amendment (15 U. S. C., 1940 ed., Sup. V, 713a-8 (a)), with respect to the following Steagall commodities: Hogs, eggs, chickens and turkeys, milk and butterfat, dry peas of certain varieties, dry edible beans of certain varieties, soybeans for oil, peanuts for oil, flaxseed for oil, American-Egyptian cotton, potatoes, and sweetpotatoes.

(iii) Support of wool under the Wool Price Support Act of 1948 (61 Stat. 769).

(2) Nonmandatory price support:

Price-support operations with respect to agricultural commodities other than those required to be carried out under the acts cited in subparagraph (1) above, such as operations with respect to naval stores, several grains, sugar beets, sugarcane, raisins, and prunes, and any other agricultural commodity, in accordance with the congressional policy stated in section 4 (b) of the act of July 1, 1941, as amended (15 U. S. C., 1940 ed., Sup. V, 713a-8 (b)).

In carrying out its price-support program the Corporation utilizes normal trade facilities to the fullest practicable extent. Thus, where loans are made to farmers the Corporation makes use of local banks, cooperatives, and other private lending agencies by entering into contracts with such lending agencies under which the Corporation agrees to take over loans made in accordance with the Corporation's program. In addition, the Corporation enters into contracts with

processors and dealers under which they buy through normal trade channels agricultural commodities at support prices for the account of the Corporation or for their own account. In the latter event the Corporation generally agrees with the processors and dealers, upon specified terms and conditions, to take over their inventories of such agricultural commodities or products processed therefrom, or otherwise gives them protection against loss arising out of the purchase of commodities at the support prices.

(b) *Supply program.*—Under its supply program the Corporation procures foods, agricultural commodities and products thereof, and related materials for the purpose of supplying the requirements of United States Government agencies, foreign governments, relief agencies, and other similar organizations. The centralization of such procurement operations in the Corporation not only has made possible increased efficiency through combined operations, but also has eliminated the inflationary effect of competitive buying which would otherwise result if several Government agencies, as well as numerous representatives of foreign countries, were in the market simultaneously. In addition, it has enabled such operations to be conducted in a manner that provides maximum benefit to American agriculture in that the procurement is carried out during peak marketing seasons and is closely coordinated with the price-support program. The Corporation's procurement operations are conducted in accordance with procedures and policies calculated to protect the Corporation from loss. In this connection, the Congress, by section 4 of the act of July 16, 1943 (15 U. S. C., 1940 ed., Supp. V, 713a-9), specifically required that the Corporation be fully reimbursed for services performed, losses sustained, and operating costs incurred on commodities purchased or delivered to or on behalf of any other Government agency. The Corporation also procures or aids in the procurement of supplies and facilities needed by farmers in connection with the production, handling, and marketing of agricultural commodities and their products, such as feed, seeds, cotton bagging, fertilizers, and insecticides. It also procures or aids in the procurement of foods and agricultural commodities and products thereof in order to facilitate distribution or to meet anticipated requirements during periods of short supply.

(c) *Foreign purchase program.*—Under its foreign purchase program the Corporation purchases abroad such foods, agricultural commodities and products thereof, and related facilities as are needed to meet both foreign and domestic requirements. These purchases have consisted largely of commodities in short supply, notably fats and oils, sugar, cocoa beans, long-staple cotton, protein meals, tea, and rice. Most of the purchases have implemented the allocations of agricultural commodities in short world supply made by the International Emergency Food Committee. The President of the United States, on April 28, 1942, approved "the use by the Commodity Credit Corporation of any of its funds for the purpose of carrying out projects involving the acquisition, handling, and disposition of agricultural commodities produced in foreign countries friendly to the United States." On May 16, 1942, the Board of Economic Warfare, which had general jurisdiction over foreign economic matters, designated the Corporation, with certain exceptions, as the sole and exclusive agency for the purchase of agricultural commodities in foreign countries. The foreign purchase program of the Corporation, with the exception of purchases of sugar in Cuba and purchases of commodities in Canada, was transferred to the Foreign Economic Administration by Executive Order No. 9385 (8 F. R. 13783) dated October 6, 1943. The program was ordered returned to the Department of Agriculture by Executive Order No. 9630 (10 F. R. 12245), dated September 27, 1945.

(d) *Commodity export program.*—Under its commodity export program the Corporation exports or causes to be exported agricultural commodities and products. The purpose of the program is to retain foreign markets for agricultural commodities and products thereof produced in the United States and to aid in the disposal of surplus agricultural commodities.

Disposals of agricultural commodities and products thereof for export are made at competitive world prices, which are below domestic market prices, pursuant to section 21 (c) of the Surplus Property Act of 1944 (50 U. S. C. App., 1940 ed., Supp. V, 1630 (c)). That section authorizes the Corporation to dispose or cause to be disposed of for cash or its equivalent in goods or for adequately secured credit, for export only, and at competitive world prices any farm commodity or product thereof without regard to restrictions with respect to the disposal of commodities imposed upon the Corporation by any law. No food or food product, however, may be disposed of, if such food or food product is in short supply or its disposition would create a short supply. Disposals under this authority result in a loss to the Corporation. Prior to the enactment of section 21 (c) the Corpora-

tion's ability to engage in export operations was substantially limited by the statutory prohibition against sales of farm commodities below the parity or comparable price.

(e) *Loan program for agricultural conservation purposes.*—Section 391 (c) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C., 1940 ed., 1391), requires the Corporation to loan to the Secretary of Agriculture during each fiscal year such sums, not to exceed \$50,000,000, as the Secretary estimates will be required during such fiscal year to make advances pursuant to the applicable provisions of sections 8 and 12 of the Soil Conservation and Domestic Allotment Act, as amended. These loans have been used to purchase conservation materials during the period from January 1 to June 30 of each year. Repayment of any such loan is directed to be made during the succeeding fiscal year from funds appropriated to carry out sections 7 to 17 of such act, with interest at a rate determined by the Secretary, but not less than the cost of money to the Corporation.

Activities of the Corporation under a subsidy program, which during the war years was a major activity of the Corporation, are currently limited to its liquidation. The subsidy operations of the Corporation, with the exception of sugar and peanut subsidies, were terminated on or before June 30, 1946, and were in liquidation beginning with that date; the subsidy on peanuts was terminated early in the fiscal year 1947, and sugar subsidies were terminated when price ceilings were removed effective November 1, 1947.

In addition to the programs carried out by the Corporation, the Secretary of Agriculture, under the authority of the act of July 30, 1947 (60 Stat. 610), has determined that Corporation funds should be transferred under the provisions of that act to the appropriation for the eradication of foot-and-mouth and other contagious diseases of animals. Proceeds from sales of canned meat procured in Mexico with funds so transferred are applied by the Corporation as a credit against the transfers made.

PART II. SECTION-BY-SECTION ANALYSIS OF PROPOSED LEGISLATION¹

Section 1 provides that the act may be cited as the "Commodity Credit Corporation Charter Act."

Section 2 creates the Corporation as an agency and instrumentality of the United States within the Department of Agriculture under the general direction and control of the Secretary of Agriculture. This is consistent with its present status. The purposes for which the Corporation is organized are stated to be the stabilization, support, and protection of farm income and prices; the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers; and the facilitation of the orderly distribution of agricultural commodities, products thereof, foods, feeds, and fibers. These purposes are substantially the same as those which the Delaware corporation has served during the past.

Section 3 permits the Corporation to establish offices in any place or places it deems necessary or desirable in the conduct of its business. The principal office of the Corporation is presently located in the District of Columbia. Inasmuch as the operations of the Corporation, particularly those pertaining to price support, must be conducted throughout the United States, the authority to establish offices in the field is essential to the effective conduct of the Corporation's business.

Section 4 grants to the Corporation certain general powers, both procedural and substantive, necessary or appropriate to the corporate form of organization and to the carrying out of the specific powers granted the Corporation by section 5.

Subsections (a) and (b) provide, respectively, for corporate succession and use of a corporate seal.

Subsection (c) provides for suability and imposes certain limitations and restrictions upon the general right to sue and be sued. It is provided that no attachment, injunction, garnishment, or similar process may be issued, either prior to or after final judgment, against the Corporation or its property. The provision is like that contained in the act creating the Federal Crop Insurance Corporation (7 U. S. C., 1940 ed., 1506). The availability of any of these judicial processes would not afford to creditors or other persons suing the Corporation any benefit which would outweigh the possible detriment to the Government through hindrance or obstruction of the Corporation's operations, if it were made amenable to such processes. The designation of the United States district courts to have exclusive original jurisdiction of all suits in which the Corporation is involved,

¹ Analysis does not include committee amendments.

rather than permitting the use of State forums, is desirable because the Corporation is a Federal agency, and, generally speaking, the questions litigated will be questions of Federal law. In view of the liberal venue provisions of this subsection, no hardship will be caused any plaintiff by limiting original jurisdiction to the Federal district courts. The right of the Corporation to intervene in suits, actions, or proceedings in any other court is preserved, however, in order that it might adequately protect its interests in other suits, actions, or proceedings, such as probate proceedings in county courts, foreclosure proceedings against property on which the Corporation may have a lien, and other similar proceedings. The venue of suits against the Corporation is established in the District of Columbia, or in the district in which the plaintiff resides or is engaged in business. The 2-year limitation upon the right to bring suit against the Corporation represents a length of time believed fair to both the plaintiff and the Corporation. In this connection, it is to be noted that the Federal Tort Claims Act recently passed by the Congress (60 Stat. 842) contains a 1-year statute of limitations. It is felt with respect to the Corporation that allowance of a greater length of time than 2 years is not required where a bona fide claim exists, and would present unnecessary difficulties in the way of obtaining witnesses and records on behalf of the Corporation. The provision requiring all suits against the Corporation to be tried by the court without a jury is similar to the procedure followed in the Court of Claims and in the Federal district courts in claims against the United States authorized by the Tucker Act and the Federal Tort Claims Act, which are the statutes giving general jurisdiction to the Federal Courts in claims against the United States. Since the Federal Tort Claims Act is designed for uniform application to all Government agencies, including corporations, the applicability of the act to the Corporation is preserved. Consequently, there would be a 1-year statute of limitations applicable to claims cognizable under that act.

Subsection (d) grants to the Corporation the power to adopt, amend, and repeal bylaws, and other rules and regulations, governing the manner in which its business may be conducted and the powers vested in it may be exercised.

Subsection (e) provides that the Corporation shall have the rights, privileges, and immunities of the United States and may assert them in any suit, action, or proceeding. Since the Corporation is an agency of the United States which, in the final instance, will bear any losses suffered by the Corporation, it is desirable that the Corporation be clothed with the rights, privileges, and immunities of the sovereign. The section enumerates, but not by way of limitation, certain of the rights, priorities, and immunities of the United States which would, by virtue of this section, be enjoyed by the Corporation. The enumerated limitations are, generally speaking, those which, by decision of the Supreme Court, are not presently enjoyed by the Corporation; for example, immunity from imposition of court costs, fees, and charges, and exemption from allowance of interest on claims and judgments; and those as to which the question of applicability has not been determined by the Supreme Court, such as the applicability of State and local statutes of limitations to Government corporations.

Subsection (f) is the customary provision granting corporate agencies of the United States the right to use the mails upon the same conditions as those governing their use by the executive departments.

The first sentence of subsection (g) grants to the Corporation the essential power to enter into and carry out such contracts or agreements as are necessary or desirable for the conduct of its business. The second sentence of subsection (g) grants to the Corporation the power to modify a contract or agreement to which it is a party when such modification is deemed necessary or desirable to further its objects and purposes, even though such modification may, technically, be without consideration. Subsection (g) further provides that State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements. This provision will facilitate the use by the Corporation, in the carrying out of its Nation-wide programs, of standardized procedures and agreements, such as the use of storage agreements in which a uniform rate is specified, without regard to the varying rates prescribed by statute in numerous States. This provision will also enable the Corporation to give assurance to its contractors that in performing their contracts with the Corporation they will not be held in violation of such State and local regulatory laws.

Subsection (h) gives the Corporation the essential power to acquire, hold, and dispose of such real and personal property, or any interest therein, as it deems necessary or desirable in the conduct of its business.

Subsection (i) generally grants the power to borrow money subject to any provision of law applicable to the Corporation. Thus, the borrowing operations of the Corporation would be governed by section 4 of the act of March 8, 1938, as amended (15 U. S. C., 1940 ed., Supp. V, 713a-4), which defines the amount, the manner, and the terms and conditions of the Corporation's borrowing.

Subsection (j) grants the Corporation the authority, essential to the effective conduct of its business as a corporate entity, to determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid. This is a common provision of Federal corporate charters. (See the Federal Crop Insurance Act (7 U. S. C., 1940 ed., 1506); the Reconstruction Finance Corporation Act (15 U. S. C., 1940 ed., 604); the Federal Savings and Loan Insurance Corporation Act (12 U. S. C., 1940 ed., 1725); and the Federal Farm Mortgage Corporation Act (12 U. S. C., 1940 ed., 1020).) The Corporation, of course, will be subject to a commercial type of audit by the General Accounting Office under the provisions of the Government Corporation Control Act (31 U. S. C., 1940 ed., Supp. V, 850).

Subsection (k) explicitly vests in the Corporation the authority, implicit in subsection (j), to make final and conclusive settlement and adjustment of claims by or against the Corporation or the accounts of its fiscal officers. The power has been exercised by the Commodity Credit Corporation since its creation, and the power and its exercise were recognized by the Congress in the act of February 28, 1944 (15 U. S. C., 1940 ed., Supp. V, 713), in which it was provided that the Corporation should "continue" to have authority to make adjustment and settlement of its claims or the accounts of its fiscal officers. It was stated by the Congress in connection with the provisions of that act, that "the Commodity Credit Corporation's fiscal responsibility is vested in the Corporation alone and not in the individual fiscal agents. In other words, the fiscal agents are responsible to the Corporation, which in turn is liable to the Federal Government for the Government's investment in the Corporation. The examination of the individual accounts of particular fiscal agents with a view to external control and settlement would not facilitate a determination of the financial standing or progress of the Corporation as a whole. Such an examination would, as a matter of fact, seriously interfere with the Corporation's internal financial management and impair the flexibility which is the very basis of the Corporation's existence" (S. Rept. 631, 78th Cong.; H. Rept. 846, 78th Cong.). A corporation such as the Commodity Credit Corporation, engaged in a multitude of commercial transactions, must be able expeditiously to adjust, compromise, and settle its claims in order efficiently to conduct its business.

Subsection (l) gives the Corporation authority to make such loans and advances of its funds as it deems necessary or desirable in the conduct of its business.

Subsection (m) grants authority to the Corporation to conduct researches, surveys, and investigations relating to the conduct of its business.

Subsection (n) is the customary expression of the authority impliedly vested in corporations generally to exercise such powers as may be necessary or appropriate to the enjoyment of the powers expressly vested in the corporation and fairly incident to carrying them out, or which may be incident to the existence of the corporation as a legal entity.

Section 5 sets forth the specific powers which the Corporation may exercise, and provides that such powers may be used only in fulfilling its purposes and in carrying out the annual budget programs submitted by the Corporation to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 ed., Supp. V, 847). The powers specified are based upon a consideration of the past operations of the Commodity Credit Corporation, the operations of the Corporation provided for in the 1948 budget program approved by the Congress and the 1949 budget program submitted to the Congress, and the operations which the Corporation might be called upon to carry out during the postwar period and in periods of emergency. Although the powers will be broad, their exercise is limited by the requirement that they be carried out in accordance with annual budget programs, which require detailed justification, and review by and approval of the Congress each year. In addition, section 6 of this bill would continue in effect all statutory limitations now applicable to the operations of the Delaware corporation. It is believed that there should be available to American agriculture an agency with the flexible authority vested in the Corporation by this section 5.

Subsection (a) authorizes the Corporation to support the prices of agricultural commodities through loans, purchases, payments, and other operations. The Commodity Credit Corporation's principal function has been to stabilize, support,

and protect farm income and prices through its price-support operations. This subsection does not supersede present legislation directing or authorizing price support, such legislation being expressly preserved by section 6 of this bill.

Subsection (b) authorizes the Corporation to make available materials and facilities required in connection with the production and marketing of agricultural commodities. This authority will enable the Corporation to carry out such operations as procuring or aiding in the procurement of feed, seeds, grain bins, and other storage facilities, bagging, fertilizers, and insecticides. Operations of this character have been carried out in the past under the Corporation's general charter authority.

Subsection (c) authorizes the Corporation to procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements. Such operations of the Commodity Credit Corporation in the past include the procurement of agricultural commodities for the Army, the Navy, and the State Department, for cash-paying foreign governments, for the American Red Cross, Lend-Lease, and the United Nations Relief and Rehabilitation Administration. This authority will, when it is essential that Government procurement be undertaken in order to obtain adequate supplies, enable such procurement to be centralized in one Government agency, thereby not only making possible increased efficiency, but also enabling procurement operations to be carried out for the maximum benefit of American agriculture by coordinating procurement operations with price-support operations.

Subsection (d) authorizes the Corporation to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities. In view of the possibility that American agriculture may be faced with surplus production during the postwar period, it is essential that the Corporation be empowered to deal effectively with such surpluses should they develop.

Subsection (e) grants authority to the Corporation to increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities. Any program designed to protect agricultural prices and income and to avoid the production of unmanageable surpluses must necessarily include operations designed to expand existing markets and uses, to create new and additional markets and uses, and to promote orderly marketing by developing adequate marketing facilities.

Subsection (f) authorizes the Corporation to export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities. It is essential to the agricultural economy of the United States that it maintain and expand its markets abroad for agricultural commodities. This subsection empowers the Corporation to carry out operations to this end.

Subsection (g) authorizes the Corporation, to the extent specifically authorized by law, to make payments with respect to, or purchases for resale at a loss of, agricultural commodities, for the purpose of maintaining the maximum prices established under the Emergency Price Control Act of 1942, as amended. Since the Emergency Price Control Act of 1942, as amended, has expired, it is recommended that this subsection be deleted from the bill.

Subsection (h) authorizes the Corporation generally to carry out such other operations as the Congress may authorize it to carry out or otherwise provide for.

Section 6 provides that the Federal statutes now applicable to the Delaware corporation shall be applicable to the Federal Corporation, except that the Delaware corporation shall cease to be an agency of the United States as provided in section 7 (a) of the act of January 31, 1935, as amended (15 U. S. C., 1940 ed., Sup. V, 713 (a)). The principal statutes thus made applicable are those (1) requiring an appraisal of the assets and liabilities of Commodity Credit Corporation as of June 30 of each year by the Secretary of the Treasury, authorizing an appropriation for the restoration of any impairment in the capital of the Corporation and requiring the payment to the United States Treasury of any amount by which its net worth exceeds its capitalization (15 U. S. C., 1940 ed., Sup. V, 713a-1, 713a-2); (2) authorizing the Corporation to borrow not to exceed \$4,750,000,000, with the approval of the Secretary of the Treasury, upon the guaranty of the Treasury (15 U. S. C., 1940 ed., Sup. V, 713a-4); (3) exempting from taxation the obligations of the Corporation and its franchise, capital, reserves, surplus, income, and personal property (15 U. S. C., 1940 ed., 713a-5); (4) authorizing the Federal Reserve banks to act as fiscal agents and custodians for the Corporation (12 U. S. C., 1940 ed., Sup. V, 395); (5) requiring a commercial audit by the General

Accounting Office of the accounts of the Corporation (15 U. S. C., 1940 ed., Sup. V, 713; 31 U. S. C., 1940 ed., Sup. V, 850); (6) requiring the submission to the Congress of annual budget programs (31 U. S. C., 1940 ed., Sup. V, 847); (7) authorizing the Commodity Credit Corporation to make available nonrecourse loans on agricultural commodities (including dairy products) (7 U. S. C., 1940 ed., 1302; 7 U. S. C., 1940 ed., Sup. V, 1359); (8) directing loans upon 1948 crops of the basic commodities at 90 percent of parity (92½ percent in the case of cotton) (50 U. S. C. App., 1940 ed., Sup. V, 968); (9) requiring the Corporation to provide price support through loans, purchases, or other operations for producers of certain nonbasic (Steagall) commodities at not less than 90 percent of the parity or comparable price (15 U. S. C., 1940 ed., Sup. V, 713a-8(a)); (10) declaring it to be the policy of Congress to support prices of nonbasic, non-Steagall commodities (15 U. S. C., 1940 ed., Sup. V, 713a-8(b)); (11) authorizing and directing the Corporation to make loans to the Secretary of Agriculture to enable him to make advances pursuant to the Soil Conservation and Domestic Allotment Act (7 U. S. C., 1940 ed., 1391); (12) restricting the sale of farm commodities by the Corporation at less than parity or comparable price, with certain exceptions (7 U. S. C., 1940 ed., Sup. V, 1381n); (13) limiting the disposition of cotton by the Corporation (7 U. S. C., 1940 ed., 1381 (c)); (14) permitting the Corporation to dispose of or cause to be disposed of any farm commodity or product thereof, for export only, at competitive world prices (50 U. S. C. App., 1940 ed., Sup. V, 1630); (15) requiring reimbursement for services performed, losses sustained, and costs incurred on behalf of another Government agency (15 U. S. C., 1940 ed. Sup. V, 713a-9); (16) directing the payment to the Corporation of \$500,000,000 as a reserve fund for expenditure, as and when necessary, for the postwar price support of agriculture (59 Stat. 429; 60 Stat. 6); (17) directing the Corporation to continue support price of wool at 1946 support levels until December 31, 1948 (61 Stat. 769); (18) providing for the utilization of price-support commodities in furnishing assistance and relief to foreign countries under the Foreign Aid Act of 1947 and other acts (Public Law 389, 80th Cong.); and (19) authorizing the Corporation to carry out projects to stimulate and increase production of foods, agricultural commodities, and products thereof in non-European foreign countries (Public Law 395, 80th Cong.).

Section 7 provides for the capitalization of the Corporation at \$100,000,000 which is the present amount of the capital stock of Commodity Credit Corporation. The stock is to be subscribed by the United States, and is to be deemed fully paid for by the transfer of the assets of the Delaware corporation to the Federal Corporation. Section 7 also continues the present authority of the Secretary of Agriculture to exercise, on behalf of the United States, all the rights of the United States arising out of the ownership of such stock.

Section 8 provides generally for the use by the Corporation in the conduct of its business of all its assets, including capital, net earnings, property, funds, etc., acquired by the Corporation. Specific statutory authorizations or limitations applicable to the Corporation's use of funds or other assets will, of course, govern. The provision is similar to that presently in effect with respect to the Delaware corporation.

Section 9 provides for management of the Corporation by a Board of Directors, subject to the general direction and control of the Secretary of Agriculture. The Board of Directors will consist of not less than 3 nor more than 11 persons. The Secretary will be a member and chairman of the Board. Directors are to receive no compensation for their services as directors, but may serve the Corporation in any other capacity and receive compensation therefor. These provisions are substantially the same as the provisions of the charter and bylaws under which the Delaware corporation has been operating. The Board of Directors of the present Corporation actively manages the Corporation, meets regularly, determines methods and procedures for the conduct of the business of the Corporation and approves all programs. This method of corporate management has proved eminently satisfactory and it is deemed desirable that it be continued.

Section 10 makes provision for the officers and employees of the Corporation. Appointments of personnel are to be made by the Secretary of Agriculture, and, with the exception of experts, are to be made pursuant to the civil-service law and the Classification Act of 1923, as amended (5 U. S. C., 1940 ed., 661). The Secretary is authorized to define the authority and duties of the officers and employees, and to delegate to them such of the powers of the Corporation as he may desire. The Secretary may determine which officers and employees shall be bonded. Premiums on any employee bond or bonds may be paid by the Corporation. Thus, the Corporation may, if it deems it necessary in order to insure protection

commensurate with the requirements of the office, pay premiums on either individual bonds or on a blanket bond covering all officers and employees required to be bonded.

The provisions of section 11, permitting the utilization by the Corporation of the personnel, services, facilities, and information of any other agency of the Federal Government, are similar to the provisions found in the charters of many other Federal corporations; for example, the Federal Crop Insurance Corporation (7 U. S. C., 1940 ed., 1506), the Reconstruction Finance Corporation (15 U. S. C., 1940 ed., 604), the Tennessee Valley Authority (16 U. S. C., 1940 ed., 831d), and the Federal Deposit Insurance Corporation (12 U. S. C., 1940 ed., 264 (k)). Such utilization may be on a compensated or uncompensated basis, and administrative as well as capital funds, depending upon the nature of the services performed, may be used in making compensation. In addition, it is provided that the personnel and facilities of the Corporation may be utilized on a reimbursable basis by any other agency of the Federal Government. These provisions are deemed desirable in order to best serve the interests of the Government as a whole, by permitting the utilization of personnel and facilities of any Government agencies that are equipped to render any particular service.

Section 12 permits the Corporation to utilize, on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities. Most of the Corporation's price-support operations are carried out in the field through the agricultural conservation committees and associations. The Corporation also utilizes to the fullest practicable extent the facilities of producer-controlled cooperative associations and trade facilities, such as local banks, warehouses, commodity handlers, and processors. For example, commodity loans are generally made in the first instance by local banks with which the Corporation has contracts obligating it to take over the loans upon request. It has also carried out many of its price-support operations by contracts with processors and handlers under which they agree to purchase commodities at support prices in return for the Corporation's undertaking to protect them against loss because of such purchases.

Section 13 requires that the Corporation keep complete and accurate accounts, and file an annual report with the Secretary of Agriculture. A copy of the annual report is to be forwarded by the Secretary to the President for transmission to the Congress in order that it may have a complete record of the activities and financial condition of the Corporation.

By section 14 the statute (41 U. S. C., 1940 ed., 22) requiring the insertion in contracts or agreements of an express condition that no Member of or Delegate to Congress shall be admitted to any share or part of such contracts or agreements is made applicable to the contracts or agreements of the Corporation. An exemption is provided, however, for contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation. This provision is consistent with the exemption in the Member-Delegate statute of contracts or agreements entered into under the Agricultural Adjustment Act, the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Farm Credit Act of 1933, and of contracts or agreements of a kind which the Secretary of Agriculture may enter into with farmers.

Section 15, relating to crimes and offenses, is similar to provisions in the charters of most Government corporations, with such changes as are necessary to adapt those provisions to the business and activities of Commodity Credit Corporation. (See the Federal Crop Insurance Act (7 U. S. C., 1940 ed., 1514); the Tennessee Valley Authority Act (16 U. S. C., 1940 ed., 831t); and the Federal Deposit Insurance Corporation Act (12 U. S. C., 1940 ed., 264).)

Subsection (a) refers to the making of false statements or the overvaluation of security for the purpose of influencing the action of the Corporation or for the purpose of obtaining some material benefit under any act applicable to the Corporation. Subsection (b) deals with embezzlement and similar offenses, false entries or issuance of obligations with intent to defraud, or participation in or receipt of, with intent to defraud, any benefit through any act of the Corporation, and extends not only to persons directly connected with the Corporation, but also to persons, such as lending agencies, associations, or warehouses, directly or indirectly involved in the Corporation's programs. Subsection (c) prescribes the punishment for the offenses of stealing, larceny, conversion, and related crimes. The section will be operative with respect to all property owned or held by, or mortgaged or pledged to, the Corporation, whether in the possession of the Corporation or not. Subsection (d) makes it a crime to conspire to accomplish any of the acts made unlawful by subsections (a), (b), or (c).

By subsection (e) all the general penal statutes relating to crimes and offenses against the United States, except to the extent that they relate to crimes and offenses punishable under subsection (a), (b), (c), or (d) of section 15, are made applicable with respect to the Corporation and its property, contracts, employees, and operations. Insofar as contracts of a kind which the Corporation may enter into with farmers participating in a program of the Corporation are concerned, exceptions are made of two criminal statutes, namely: That fining any Member of or Delegate to Congress or Resident Commissioner who receives any benefit from any contract or agreement entered into on behalf of the United States (18 U. S. C., 1940 ed., 204), and that fining officers of the United States who, on behalf of the United States, enter into any contract or agreement with any Member of or Delegate to Congress or Resident Commissioner (18 U. S. C., 1940 ed., 205). This is consonant with the provisions of section 14 of this bill, excluding such contracts from the application of the statute requiring insertion in contracts of a provision that no Member of or Delegate to Congress shall benefit therefrom.

Section 16 provides for the transfer of the assets, funds, property, and records of the Delaware corporation to the Federal corporation created by this bill. It is specifically provided that the new corporation shall have the rights, privileges, and powers and shall assume the duties and liabilities of the Delaware corporation in respect to any contract, agreement, loan, account, or other obligation. This section further provides that the claims of or against the Delaware corporation may be enforced by or against the Federal corporation. Thus, although the Delaware corporation will be preserved for the purposes of suing and being sued for 3 years after dissolution, under the Delaware corporation laws, claims by and against that corporation may be enforced by and against the Federal corporation.

Section 17 authorizes and directs the Secretary of Agriculture, on behalf of the United States, to institute or cause to be instituted proceedings for the dissolution of the Delaware corporation. Costs of the dissolution will be borne by the Federal corporation.

Section 18 authorizes the establishment of a consolidated account or accounts through which all administrative expenses may be paid in the event that the personnel or facilities of any office, bureau, administration, or other agency of or within the Department of Agriculture, including the Corporation, are utilized in the performance of functions for which separate funds are made available. The Secretary of the Treasury is directed to establish such consolidated account or accounts as may be requested by the Secretary of Agriculture. The funds available for administrative expenses in the performance of the consolidated or coordinated functions may be transferred to the account or accounts so established by advance payment or reimbursement from the funds of the appropriation item or items properly chargeable. The funds so transferred are to be expended only for the purposes for which appropriated or made available, so that this authorization will not result in the diversion of any funds from the purposes for which they were appropriated or made available. This section will greatly facilitate the administration of the activities of the Department of Agriculture, where the personnel or facilities of one agency of the Department are utilized for the administration of a number of activities for which separate administrative Expense fund have been provided.

Calendar No. 1064

80TH CONGRESS
2D SESSION

S. 1322

[Report No. 1022]

IN THE SENATE OF THE UNITED STATES

MAY 20 (legislative day, APRIL 21), 1947

Mr. CAPPER introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

MARCH 24 (legislative day, MARCH 15), 1948

Reported by Mr. AIKEN, with amendments

[Omit the part struck through and insert the part printed in italic]

A BILL

To provide a Federal charter for the Commodity Credit Corporation.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Commodity Credit Cor-
4 poration Charter Act".

5 SEC. 2. CREATION AND PURPOSES.—For the purpose
6 of promoting the general welfare by stabilizing, supporting,
7 and protecting farm income and prices, by assisting in the
8 maintenance of balanced and adequate supplies of agricul-
9 tural commodities, products thereof, foods, feeds, and fibers
10 (hereinafter collectively referred to as "agricultural com-

1 *modities'')*, and by facilitating the orderly distribution of
 2 *of stabilizing, supporting, and protecting farm income and*
 3 *prices, assisting in the maintenance of balanced and adequate*
 4 *supplies of agricultural commodities, products thereof, foods,*
 5 *feeds, and fibers (hereinafter collectively referred to as "agri-*
 6 *cultural commodities'')*, and facilitating the orderly distri-
 7 *bution of agricultural commodities, there is hereby created a*
 8 *body corporate to be known as the Commodity Credit*
 9 *Corporation (hereinafter referred to as the "Corporation"),*
 10 *which shall be an agency and instrumentality of the United*
 11 *States, within the Department of Agriculture, subject to the*
 12 *general direction and control of the Secretary of Agriculture*
 13 *(hereinafter referred to as the "Secretary").*

14 SEC. 3. OFFICES.—The Corporation may establish of-
 15 fices in such place or places as it may deem necessary or
 16 desirable in the conduct of its business.

17 SEC. 4. GENERAL POWERS.—The Corporation—

18 (a) Shall have succession in its corporate name.

19 (b) May adopt, alter, and use a corporate seal, which
 20 shall be judicially noticed.

21 (c) May sue and be sued, but no attachment, injunc-
 22 tion, garnishment, or other similar process, mesne or final,
 23 shall be issued against the Corporation or its property. The
 24 district courts of the United States, including the district
 25 courts of the District of Columbia and of any Territory or

1 possession, shall have exclusive original jurisdiction of all
2 suits brought by or against the Corporation: *Provided*, That
3 the Corporation may intervene in any court in any suit,
4 action, or proceeding in which it has an interest. Any suit
5 against the Corporation shall be brought in the District
6 of Columbia, or in the district wherein the plaintiff resides
7 or is engaged in business. No suit against the Corporation
8 shall be allowed unless it shall have been brought within
9 two years after the right accrued on which suit is brought.
10 All suits against the Corporation shall be tried by the court
11 without a jury. Notwithstanding any other provision of
12 this Act, the Federal Tort Claims Act (Public Law 601,
13 Seventy-ninth Congress) shall be applicable to the Cor-
14 poration.

15 (d) May adopt, amend, and repeal bylaws, rules, and
16 regulations governing the manner in which its business
17 may be conducted and the powers vested in it may be
18 exercised.

19 (e) Shall have all the rights, privileges and immunities
20 of the United States, including, but not limited to, the right
21 to priority of payment with respect to debts due from in-
22 solvent, deceased, or bankrupt debtors, and immunity from
23 the imposition of court costs, fees, and charges, from the
24 allowance of interest on claims and judgments, and from
25 State and local statutes of limitations on suits, actions, or

1 proceedings. The Corporation may assert such rights, priv-
2 ileges, and immunities in any suit, action, or proceeding.

3 (f) Shall be entitled to the use of the United States
4 mails in the same manner and upon the same conditions as
5 the executive departments of the Federal Government.

6 (g) May enter into and carry out such contracts or
7 agreements as it deems necessary or desirable in the conduct
8 of its business. The Corporation may, whenever it deems it
9 necessary or desirable in the conduct of its business, consent
10 to the modification of any term or condition of any contract
11 or agreement of any kind to which it is a party. State and
12 local regulatory laws or rules shall not be applicable with
13 respect to contracts or agreements of the Corporation or the
14 parties thereto to the extent that such contracts or agreements
15 provide that such laws or rules shall not be applicable, or to
16 the extent that such laws or rules are inconsistent with such
17 contracts or agreements.

18 (h) May in any manner acquire, hold, and dispose of
19 such real and personal property or any interest therein as
20 it deems necessary or desirable in the conduct of its business.

21 (i) May borrow money subject to any provision of
22 law applicable to the Corporation. *The Corporation shall at*
23 *all times reserve a sufficient amount of its authorized borrow-*
24 *ing power under the Act of March 8, 1938 (U. S. C., title*
25 *15, sec. 713a-4), which, together with other funds available*

1 *to the Corporation, will enable it to purchase, in accordance*
2 *with its contracts with lending agencies, notes, or other obliga-*
3 *tions evidencing loans made by such agencies under the Cor-*
4 *poration's programs.*

5 (j) Shall determine the character of and the necessity
6 for its obligations and expenditures and the manner in which
7 they shall be incurred, allowed, and paid.

8 (k) Shall have authority to make final and conclusive
9 settlement and adjustment of any claims by or against the
10 Corporation or the accounts of its fiscal officers.

11 (l) May make such loans and advances of its funds
12 as it deems necessary or desirable in the conduct of its
13 business.

14 ~~(m) May conduct researches, surveys, and investiga-~~
15 ~~tions relating to the conduct of its business.~~

16 ~~(n) Shall have such powers as may be necessary or~~
17 ~~appropriate for the exercise of the powers specifically vested~~
18 ~~in the Corporation, and all such incidental powers as are~~
19 ~~customary in corporations generally.~~

20 (m) Shall have such powers as may be necessary or
21 appropriate for the exercise of the powers specifically vested
22 in the Corporation, and all such incidental powers as are
23 customary in corporations generally; but any research
24 financed by the Corporation shall relate to the conservation
25 or disposal of commodities owned or controlled by the Cor-

1 *poration and shall be conducted in collaboration with research*
2 *agencies of the Department of Agriculture.*

3 SEC. 5. SPECIFIC POWERS.—In the fulfillment of its
4 purposes and in carrying out its annual budget programs
5 submitted to and approved by the Congress pursuant to the
6 Government Corporation Control Act (31 U. S. C., 1940
7 edition, Supp. V, 841), the Corporation is authorized to
8 use its general powers only to—

9 (a) Support the prices of agricultural commodities
10 through loans, purchases, payments, and other operations.

11 (b) Make available materials and facilities required in
12 connection with the production and marketing of agricul-
13 tural commodities.

14 (c) Procure agricultural commodities for sale to other
15 Government agencies, foreign governments, and domestic,
16 foreign, or international relief or rehabilitation agencies, and
17 to meet domestic requirements.

18 (d) Remove and dispose of or aid in the removal or
19 disposition of surplus agricultural commodities.

20 (e) Increase the domestic consumption of agricultural
21 commodities by expanding or aiding in the expansion of
22 domestic markets or by developing or aiding in the develop-
23 ment of new and additional markets, marketing facilities, and
24 uses for such commodities.

1 (f) Export or cause to be exported, or aid in the
2 development of foreign markets for, agricultural commodities.

3 ~~(g) To the extent specifically authorized by law, make~~
4 ~~payments with respect to, or purchases for resale at a loss of,~~
5 ~~agricultural commodities, for the purpose of maintaining the~~
6 ~~maximum prices established under the Emergency Price~~
7 ~~Control Act of 1942, as amended.~~

8 ~~(h) Carry out such other operations as the Congress~~
9 ~~may authorize or provide for.~~

10 *(g) Carry out such other operations as the Congress*
11 *may specifically authorize or provide for.*

12 SEC. 6. EXISTING STATUTES APPLICABLE TO THE
13 CORPORATION.—The Federal statutes applicable to Com-
14 modity Credit Corporation, a Delaware corporation, shall be
15 applicable to the Corporation. Commodity Credit Corpora-
16 tion, a Delaware corporation, shall cease to be an agency
17 of the United States as provided in section 7 (a) of the Act
18 of January 31, 1935, as amended (15 U. S. C., 1940 edition,
19 Supp. V, 713 (a)).

20 SEC. 7. CAPITAL STOCK.—The Corporation shall have
21 a capital stock of \$100,000,000 which shall be subscribed by
22 the United States. Such subscription shall be deemed to be
23 fully paid by the transfer of assets to the Corporation pursu-
24 ant to section 16 of this Act. The Secretary is hereby

1 authorized and directed to receive such stock and to exercise,
2 on behalf of the United States, any and all rights of the
3 United States arising out of the ownership of such stock.
4 *The Corporation shall pay interest to the United States*
5 *Treasury on the amount of its capital stock, and on the*
6 *amount of the obligations of the Corporation purchased by*
7 *the Secretary of the Treasury pursuant to the Act of March*
8 *8, 1938 (U. S. C., title 15, sec. 713a-4), at such rates as*
9 *may be determined by the Secretary of the Treasury to be*
10 *appropriate in view of the terms for which such amounts are*
11 *made available to the Corporation.*

12 SEC. 8. FUNDS.—The Corporation is authorized to use
13 in the conduct of its business all its funds and other assets,
14 including capital and net earnings therefrom, and all funds
15 and other assets which have been or may hereafter be
16 transferred or allocated to, borrowed by, or otherwise
17 acquired by it.

18 SEC. 9. DIRECTORS.—The management of the Corpora-
19 tion shall be vested in a Board of Directors (hereinafter
20 referred to as the “Board”), subject to the general direction
21 and control of the Secretary who shall be a director and
22 serve as Chairman of the Board. The Board shall consist
23 of not less than three nor more than eleven persons employed
24 in the Department of Agriculture who shall be appointed
25 by and hold office at the pleasure of the Secretary. The

1 directors so appointed shall receive no compensation for
2 their services as directors. Nothing herein contained shall
3 preclude any director from serving the Corporation in any
4 other capacity and receiving compensation therefor.

5 SEC. 10. PERSONNEL OF CORPORATION.—The Secre-
6 tary shall appoint such officers and employees as may be
7 necessary for the conduct of the business of the Corporation,
8 define their authority and duties, delegate to them such
9 of the powers vested in the Corporation as he may deter-
10 mine, require that such of them as he may designate be
11 bonded and fix the penalties therefor. The Corporation
12 may pay the premium of any bond or bonds. With the
13 exception of experts, appointments shall be made pursuant
14 to the civil-service laws and the Classification Act of 1923,
15 as amended (5 U. S. C., 1940 edition, 661).

16 SEC. 11. COOPERATION WITH OTHER GOVERNMENTAL
17 AGENCIES.—The Corporation may, with the consent of the
18 agency concerned, accept and utilize, on a compensated or
19 uncompensated basis, the officers, employees, services, facil-
20 ities, and information of any agency of the Federal Govern-
21 ment, including any bureau, office, administration, or other
22 agency of the Department of Agriculture, and of any State,
23 the District of Columbia, any Territory or possession, or any
24 political subdivision thereof. The Corporation may allot

1 to any bureau, office, administration, or other agency of
2 the Department of Agriculture or transfer to such other
3 agencies as it may request to assist it in the conduct of its
4 business any of the funds available to it for administrative
5 expenses. The personnel and facilities of the Corporation
6 may, with the consent of the Corporation, be utilized on a
7 reimbursable basis by any agency of the Federal Govern-
8 ment, including any bureau, office, administration, or other
9 agency of the Department of Agriculture, in the performance
10 of any part or all of the functions of such agency.

11 SEC. 12. UTILIZATION OF ASSOCIATIONS AND TRADE
12 FACILITIES.—The Corporation may, in the conduct of its
13 business, utilize on a contract or fee basis, committees or
14 associations of producers, producer-owned and producer-
15 controlled cooperative associations, and trade facilities.

16 SEC. 13. RECORDS; ANNUAL REPORT.—The Corpora-
17 tion shall at all times maintain complete and accurate books
18 of account and shall file annually with the Secretary a com-
19 plete report as to the business of the Corporation, a copy of
20 which shall be forwarded by the Secretary to the President
21 for transmission to the Congress.

22 SEC. 14. INTEREST OF MEMBERS OF THE CONGRESS.—
23 The provisions of section 1 of the Act of February 27, 1877,
24 as amended (41 U. S. C., 1940 edition, 22), shall apply to
25 all contracts or agreements of the Corporation, except con-

1 tracts or agreements of a kind which the Corporation may
2 enter into with farmers participating in a program of the
3 Corporation.

4 SEC. 15. CRIMES AND OFFENSES.—

5 FALSE STATEMENTS; OVERVALUATION OF SECURITIES

6 (a) Whoever makes any statement knowing it to be
7 false, or whoever willfully overvalues any security, for the
8 purpose of influencing in any way the action of the Corpora-
9 tion, or for the purpose of obtaining for himself or another,
10 money, property, or anything of value, under this Act, or
11 under any other Act applicable to the Corporation, shall,
12 upon conviction thereof, be punished by a fine of not more
13 than \$10,000 or by imprisonment by not more than five
14 years, or both.

15 EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUD-
16 ULENT ISSUE OF OBLIGATIONS OF CORPORATION

17 (b) Whoever, being connected in any capacity with
18 the Corporation or any of its programs, (i) embezzles,
19 abstracts, purloins, or willfully misapplies any money, funds,
20 securities, or other things of value, whether belonging to
21 the Corporation or pledged or otherwise entrusted to it;
22 or (ii) with intent to defraud the Corporation, or any other
23 body, politic or corporate, or any individual, or to deceive
24 any officer, auditor, or examiner of the Corporation, makes
25 any false entry in any book, report, or statement of, or to,

1 the Corporation, or draws any order, or issues, puts forth
2 or assigns any note or other obligation or draft, mortgage,
3 judgment, or decree thereof; or (iii) with intent to de-
4 fraud the Corporation, participates or shares in, or receives
5 directly or indirectly any money, profit, property, or benefits
6 through any transaction, loan, commission, contract, or any
7 other act of the Corporation, shall, upon conviction thereof,
8 be punished by a fine of not more than \$10,000 or by
9 imprisonment for not more than five years, or both.

10 LARCENY; CONVERSION OF PROPERTY

11 (c) Whoever shall willfully steal, conceal, remove, dis-
12 pose of, or convert to his own use or to that of another any
13 property owned or held by, or mortgaged or pledged to, the
14 Corporation, shall, upon conviction thereof, be punished by a
15 fine of not more than \$10,000 or by imprisonment for not
16 more than five years, or both.

17 CONSPIRACY TO COMMIT OFFENSE

18 (d) Whoever conspires with another to accomplish any
19 of the acts made unlawful by the preceding provisions of this
20 section shall, upon conviction thereof, be subject to the same
21 fine or imprisonment, or both, as is applicable in the case
22 of conviction for doing such unlawful acts.

23 GENERAL STATUTES APPLICABLE

24 (e) All the general penal statutes relating to crimes and
25 offenses against the United States shall apply with respect

1 to the Corporation, its property, money, contracts and agree-
2 ments, employees, and operations: *Provided*, That such
3 general penal statutes shall not apply to the extent that they
4 relate to crimes and offenses punishable under subsections
5 (a), (b), (c), and (d) of this section: *Provided further*,
6 That sections 114 and 115 of the Act of March 4, 1909, as
7 amended (18 U. S. C., 1940 edition, 204, 205) shall not
8 apply to contracts or agreements of a kind which the Corpo-
9 ration may enter into with farmers participating in a program
10 of the Corporation.

11 SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT
12 CORPORATION, A DELAWARE CORPORATION.—The assets,
13 funds, property, and records of Commodity Credit Corpora-
14 tion, a Delaware corporation, are hereby transferred to the
15 Corporation. The rights, privileges, and powers, and the
16 duties and liabilities of Commodity Credit Corporation, a
17 Delaware corporation, in respect to any contract, agreement,
18 loan, account, or other obligation shall become the rights,
19 privileges, and powers, and the duties and liabilities, respec-
20 tively, of the Corporation. The enforceable claims of or
21 against Commodity Credit Corporation, a Delaware corpora-
22 tion, shall become the claims of or against, and may be
23 enforced by or against, the Corporation.

24 SEC. 17. DISSOLUTION OF DELAWARE CORPORA-
25 TION.—The Secretary, representing the United States as the

sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

SEC. 18. CORPORATION ADMINISTRATIVE ACCOUNTS.—

In the event that the personnel or facilities of any bureau, office, administration, or other agency of or within the Department of Agriculture, including the Corporation, are utilized in the performance of functions, including those of the Corporation, for which separate funds are available, the Secretary of the Treasury is authorized and directed, upon the request of the Secretary, to establish one or more separate accounts into which there may be transferred, by advance payment or reimbursement, all or any part, as determined by the Secretary, of the funds available for administrative expenses in the performance of such functions. The funds so transferred shall be expended only for the purpose for which appropriated or made available.

SEC. 19. *EFFECTIVE DATE.*—*This Act shall take effect on July 1, 1948.*

80TH CONGRESS
2D Session

S. 1322

[Report No. 1022]

**A
BILL**

To provide a Federal charter for the Commodity Credit Corporation.

By Mr. CARPER

MAY 20 (legislative day, APRIL 21), 1947

Read twice and referred to the Committee on
Agriculture and Forestry

MARCH 24 (legislative day, MARCH 15), 1948

Reported with amendments

DIGEST OF CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued March 30, 1948
For actions of March 29, 1948
80th-2nd, No. 58

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HIGHLIGHTS: House debated foreign-aid bill. Rep. Anderson urged use of Sec. 32 funds and surplus agricultural commodities in foreign aid.

HOUSE

1. FOREIGN AID. Continued debate on S. 2202, the omnibus foreign-aid bill (pp. 3715-55).
2. DEFICIENCY APPROPRIATION BILL. Chairman Taber of the Appropriations Committee announced that the Committee expects to report this bill today and obtained unanimous consent for it to be debated Wed. or as soon thereafter as it may be reached (p. 3755).
3. FOOT-AND-MOUTH DISEASE. Received an Ariz. Legislature memorial favoring construction of a fence between the U. S. and Mexico (p. 3758).
4. HOUSING. Passed as reported S. 2361, to continue the mortgage-insurance provisions of the National Housing Act for a month after Mar. 31, 1948 (p. 3714).

SENATE

5. FOREIGN AID. S. 2393, as reported by the Foreign Relations Committee (see Digest 57), states that the bill is to aid China to relieve human suffering, to assist in retarding economic deterioration, and to afford the Chinese an opportunity to initiate self-help measures. In general, aid would be provided to China for these purposes in the same manner and to the same extent as assistance would be provided under those provisions of the ERP bill which are relevant to the purposes of the China-aid bill and to conditions in China. Authorizes appropriation of \$363,000,000, to remain available for 1 year following enactment of the bill, to be used in this manner. In addition, authorizes appropriation of

\$100,000,000, for the same period, to carry out the purposes of the bill without regard to the provisions of ERP. Authorizes RFC advances not exceeding \$50,000,000 pending appropriations.

Permission was granted for the Foreign Relations Committee to submit a revised report on this bill (p. 3682).

Consent was granted for this bill to be debated today (p. 3708).

6. EDUCATION. Continued debate on S. 472, the Federal-aid-to-education bill (pp. 3683-708). Debate on this bill is to be resumed when the China-aid bill has been disposed of.
7. HOUSING. Concurred in the House amendment to S. 2361 (see item 4 of this Digest). This bill will now be sent to the President. (p. 3708.)
8. APPROPRIATIONS; FOREIGN AID. Passed without amendment H.J. Res. 355, appropriating \$55 million additional for interim aid pending enactment of ERP (p. 3682). This measure will now be sent to the President.
9. TARIFF. Passed without amendment H.R. 4938, to provide dutiable status for platinum foxes, and platinum fox furs (p. 3682). This bill will now be sent to the President.
Passed as reported H.R. 5328, to permit free entry of wood-waste for use as fire wood (p. 3682).
10. MINING LANDS. Passed without amendment H.R. 5049, to reopen the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands to exploration, location, entry, and disposition under the general mining laws (p. 3681). This bill will now be sent to the President.
11. HOUSING CENSUS. Passed without amendment S. 1950, to provide for a decennial census of housing (p. 3681).
12. CREDIT UNION. The Banking and Currency Committee reported without amendment S. 2225, to transfer administration of the Federal Credit Union Act to the Federal Security Agency (S.Rept. 1033) (p. 3674).
13. FOREIGN AID. Received an Ariz. Legislature memorial urging aid for China (p. 3672).
14. MEXICAN BORDER FENCE. Received an Ariz. Legislature memorial urging passage of S.J. Res. 46, authorizing appropriations for the construction, operation, and maintenance of a land boundary fence along the Mexican border (p. 3672).
15. FLOOD CONTROL; SOIL CONSERVATION. Sen. Overton, La., inserted resolutions of the National Rivers and Harbors Congress favoring appropriations for flood-control and water-pollution projects, for soil conservation work, and continued study of the Federal power policy (pp. 3673-4).
16. BILLS PASSED OVER included: S. 669, grain bonus (p. 3677); S. 866, to establish a national housing policy (p. 3677); S. 299, to extend the reclamation laws to Ark. (p. 3677); H.R. 3484, to transfer Remount Service to USDA (p. 3677); S. Con. Res. 6, to provide for consolidated appropriation bill (p. 3677); S. 430, to cover national farm-loan association and production-credit association employees under the Retirement Act (p. 3678); S.J. Res. 164, RACC loans to fur farmers (p. 3678); S. 1807, to continue certain export-import and allocations powers (p. 3678); S. 2142, to transfer Muscatine alcohol plant to USDA (p. 3678); S. 1989, to pay accumulated annual leave for certain transferred employees (p. 3681); S. 1322, Federal charter for CCC (p. 3681); H.R. 3538, to authorize USDA to make drainage investigations and reports (p. 3682); and S. 2173, to amend the Agricul-

Interior and Insular Affairs, with an amendment, on page 1, in line 6, after the word "appropriation", to insert "for the fiscal years 1948, 1949, 1950, and 1951."

The amendment was agreed to.

The PRESIDENT pro tempore. The Senator from South Dakota has amendments pending to this measure. However, if there are no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of July 19, 1940, entitled "Boulder Canyon Project Adjustment Act" (54 Stat. 774), is amended by adding the following new paragraph to section 2:

"SEC. 2. (e) Annual appropriation for the fiscal years 1948, 1949, 1950, and 1951 for payment to the Boulder City School District, as reimbursement for the actual cost of instruction, during each school year, in the schools operated by said district, of pupils who are dependents of any employee or employees of the United States living in or in the immediate vicinity of Boulder City, such reimbursement not to exceed the sum of \$65 per semester per pupil and to be payable semiannually, after the term of instruction in each semester has been completed, under regulation to be prescribed by the Secretary."

Mr. GURNEY subsequently said: Mr. President, I ask unanimous consent to return to Calendar 1052, Senate bill 1985. As I understand it, the bill was passed.

The PRESIDENT pro tempore. The Senator is correct; the bill was passed.

Mr. GURNEY. I ask unanimous consent for reconsideration, and that my amendment—

The PRESIDENT pro tempore. The Senator from Nevada is not present. He has been sent for.

Mr. GURNEY. Mr. President, my amendment does not affect the interests of the Senator from Nevada. It includes other territories in the provisions of the act.

Mr. MILLIKIN. Mr. President, if the Senator will permit me to make an explanation, the Senator's amendments were considered in connection with Calendar 1052, Senate bill 1985, but it was thought that they took in so much territory that there ought to be a rather careful study made of the whole scope of the Senator's amendments to determine exactly what would be involved; whereas Senate bill 1985 is limited to something which can be quickly appraised. I can assure the Senator, that his amendment will receive very careful and prompt attention by the appropriate subcommittee of the Committee on Interior and Insular Affairs. I make the further suggestion that it might be a little bit unfair to tie up this emergent matter at Boulder City, Nev., with the Senator's very comprehensive amendment.

Mr. GURNEY. Mr. President, with the explanation offered by the Senator from Colorado, I am perfectly willing to let my amendment go for the time being. I merely thought it had been offered in sufficient time to have been added to Senate bill 1985. I am very glad that the committee is considering the contents of my amendment.

The PRESIDENT pro tempore. The Senator from South Dakota withdraws his request for reconsideration. The clerk will state the next bill.

OREGON & CALIFORNIA RAILROAD AND COOS BAY WAGON ROAD GRANT LANDS

The bill (H. R. 5049) to reopen the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands to exploration, location, entry, and disposition under the general mining laws, was considered, ordered to a third reading, read the third time, and passed.

LEASING OF STATE LANDS FOR PRODUCTION OF OIL, GAS, AND OTHER HYDROCARBONS

The Senate proceeded to consider the bill (H. R. 4167) to authorize the States of Montana, North Dakota, South Dakota, and Washington to lease their State lands for the production of oil, gas, and other hydrocarbons for such terms of years and on such conditions as may be from time to time provided by the legislative assembly of the respective States, which had been reported from the Committee on Interior and Insular Affairs, with an amendment, on page 1, in line 6, after the word "amended", to strike out "by inserting before the last semicolon in such paragraph a comma and the following: 'except that leases for exploration for oil, gas, and other hydrocarbons and the extraction thereof may be for such terms of years, and on such conditions, as may be from time to time provided by the legislative assembly of the respective States.'" and insert "to read as follows: 'Except as otherwise provided herein, the said lands may be leased under such regulations as the legislature may prescribe. Leases for the production of minerals, including leases for exploration for oil, gas, and other hydrocarbons and the extraction thereof, shall be for such term of years and on such conditions as may be from time to time provided by the legislatures of the respective States; leases for grazing and agricultural purposes shall be for a term and longer than 10 years; and leases for development of hydroelectric power shall be for a term not longer than 50 years.'"

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to authorize the States of Montana, North Dakota, South Dakota, and Washington to lease their State lands for production of minerals, including leases for exploration for oil, gas, and other hydrocarbons and the extraction thereof, for such terms of years and on such conditions as may be from time to time provided by the legislatures of the respective States."

BILL PASSED OVER

The bill (S. 1989) to provide for the payment of certain Government employees for accumulated annual leave in

cases involving transfer to other Government agencies under different leave systems was announced as next in order.

Mr. OVERTON. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

SALE OF PUBLIC LANDS IN SAN JUAN COUNTY, UTAH

The bill (S. 2278) to authorize the sale of certain public lands in San Juan County, Utah, to the Southwest Indian Mission, Inc., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Southwest Indian Mission, Inc., is hereby authorized for a period of 1 year from and after the effective date of this act to file with the Secretary of the Interior an application to purchase, and the Secretary of the Interior is hereby authorized and directed to issue a patent to it, for use by St. Christopher's Mission to the Navajo, for the following-described lands in San Juan County, Utah: The east half of the southeast quarter of the southeast quarter of section 20, the west half of the southwest quarter of the southwest quarter of section 21, lot 4 and the northwest quarter of the northwest quarter of section 28 and lots 1, 2, and 5 of section 29, township 40 south, range 22 east, Salt Lake meridian, containing one hundred and sixty-five and five-tenths acres.

SEC. 2. The patent shall not be issued until after payment has been made by the Southwest Indian Mission, Inc., to the Secretary of the Interior for the land at its reasonable appraised price of not less than \$1.25 per acre, to be determined by the Secretary in accordance with the provisions of the act of December 22, 1928 (45 Stat. 1069). The patent shall reserve to the United States all of the oil, gas, and all other mineral deposits in the land, together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe.

DECENNIAL CENSUS OF HOUSING

The bill (S. 1950) to provide for a decennial census of housing was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Director of the Census is authorized and directed to take a census of housing in each State, the District of Columbia, Hawaii, Puerto Rico, the Virgin Islands, and Alaska, in the year 1950 and decennially thereafter in conjunction with, at the same time, and as a part of the population inquiry of the decennial census in order to provide information concerning the number, characteristics (including utilities and equipment), and geographical distribution of dwelling structures and dwelling units in the United States. The Director of the Census is authorized to collect such supplementary statistics (either in advance of or after the taking of such census) as are necessary to the completion thereof.

SEC. 2. All of the provisions, including penalties, of the act providing for the fifteenth and subsequent decennial censuses, approved June 18, 1929, as amended (U. S. C., title 13, ch. 4), shall apply to the taking of the census provided for in section 1 of this act.

BILLS PASSED OVER

The bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

80TH CONGRESS
2D SESSION

H. R. 6214

IN THE HOUSE OF REPRESENTATIVES

APRIL 12, 1948

Mr. WOLCOTT introduced the following bill; which was referred to the Committee on Banking and Currency

A BILL

To provide a Federal charter for the Commodity Credit Corporation.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Commodity Credit Cor-
4 poration Charter Act".

5 SEC. 2. CREATION AND PURPOSES.—For the purpose
6 of stabilizing, supporting, and protecting farm income and
7 prices, of assisting in the maintenance of balanced and ade-
8 quate supplies of agricultural commodities, products thereof,
9 foods, feeds, and fibers (hereinafter collectively referred to as
10 "agricultural commodities"), and of facilitating the orderly
11 distribution of agricultural commodities, there is hereby

1 created a body corporate to be known as the Commodity
2 Credit Corporation (hereinafter referred to as the "Corpora-
3 tion"), which shall be an agency and instrumentality of the
4 United States, within the Department of Agriculture, subject
5 to the general direction and control of its Board of Directors.

6 SEC. 3. OFFICES.—The Corporation may establish of-
7 fices in such place or places as it may deem necessary or
8 desirable in the conduct of its business.

9 SEC. 4. GENERAL POWERS.—The Corporation—

10 (a) Shall have succession in its corporate name.

11 (b) May adopt, alter, and use a corporate seal, which
12 shall be judicially noticed.

13 (c) May sue and be sued, but no attachment, injunc-
14 tion, garnishment, or other similar process, mesne or final,
15 shall be issued against the Corporation or its property. The
16 district courts of the United States, including the district
17 courts of the District of Columbia and of any Territory or
18 possession, shall have exclusive original jurisdiction of all
19 suits brought by or against the Corporation: *Provided*, That
20 the Corporation may intervene in any court in any suit,
21 action, or proceeding in which it has an interest. Any suit
22 against the Corporation shall be brought in the District
23 of Columbia, or in the district wherein the plaintiff resides
24 or is engaged in business. No suit against the Corporation
25 shall be allowed unless it shall have been brought within

1 two years after the right accrued on which suit is brought.
2 All suits against the Corporation shall be tried by the court
3 without a jury. Notwithstanding any other provision of
4 this Act, the Federal Tort Claims Act (Public Law 601,
5 Seventy-ninth Congress) shall be applicable to the Cor-
6 poration.

7 (d) May adopt, amend, and repeal bylaws, rules, and
8 regulations governing the manner in which its business
9 may be conducted and the powers vested in it may be
10 exercised.

11 (e) Shall have all the rights, privileges, and immunities
12 of the United States, including, but not limited to, the right
13 to priority of payment with respect to debts due from in-
14 solvent, deceased, or bankrupt debtors, and immunity from
15 the imposition of court costs, fees, and charges, from the
16 allowance of interest on claims and judgments, and from
17 State and local statutes of limitations on suits, actions, or
18 proceedings. The Corporation may assert such rights, priv-
19 ileges, and immunities in any suit, action, or proceeding.

20 (f) Shall be entitled to the use of the United States
21 mails in the same manner and upon the same conditions as
22 the executive departments of the Federal Government.

23 (g) May enter into and carry out such contracts or
24 agreements as it deems necessary or desirable in the conduct
25 of its business. State and local regulatory laws or rules shall

1 not be applicable with respect to contracts or agreements of
2 the Corporation or the parties thereto to the extent that such
3 contracts or agreements provide that such laws or rules shall
4 not be applicable, or to the extent that such laws or rules
5 are inconsistent with such contracts or agreements.

6 (h) May in any manner acquire, hold, and dispose of
7 such real or personal property or any interest therein as
8 it deems necessary or desirable in the conduct of its business.

9 (i) May borrow money subject to any provision of
10 law applicable to the Corporation: *Provided*, That the total
11 of all money borrowed by the Corporation, other than trust
12 deposits and advances received on sales, shall not at any time
13 exceed in the aggregate \$4,750,000,000. The Corporation
14 shall at all times reserve a sufficient amount of its authorized
15 borrowing power which, together with other funds available
16 to the Corporation, will enable it to purchase, in accordance
17 with its contracts with lending agencies, notes, or other obliga-
18 tions evidencing loans made by such agencies under the Cor-
19 poration's programs.

20 (j) Shall determine the character of and the necessity
21 for its obligations and expenditures and the manner in which
22 they shall be incurred, allowed, and paid.

23 (k) Shall have authority to make final and conclusive
24 settlement and adjustment of any claims by or against the
25 Corporation or the accounts of its fiscal officers.

1 (1) May make such loans and advances of its funds as it
2 deems necessary or desirable in the conduct of its business.

3 (m) Shall have such powers as may be necessary or
4 appropriate for the exercise of the powers specifically vested
5 in the Corporation, and all such incidental powers as are
6 customary in corporations generally; but any research
7 financed by the Corporation shall relate to the conservation
8 or disposal of commodities owned or controlled by the Cor-
9 poration and shall be conducted in collaboration with research
10 agencies of the Department of Agriculture.

11 SEC. 5. SPECIFIC POWERS. In the fulfillment of its
12 purposes and in carrying out its annual budget programs
13 submitted to and approved by the Congress pursuant to the
14 Government Corporation Control Act (31 U. S. C., 1940
15 edition, Supp. V, 841), the Corporation is authorized to
16 use its general powers only to—

17 (a) Support the prices of agricultural commodities
18 through loans, purchases, payments, and other operations.

19 (b) Make available materials and facilities required in
20 connection with the production and marketing of agricul-
21 tural commodities.

22 (c) Procure agricultural commodities for sale to other
23 Government agencies, foreign governments, and domestic,
24 foreign, or international relief or rehabilitation agencies, and
25 to meet domestic requirements.

1 (d) Remove and dispose of or aid in the removal or
2 disposition of surplus agricultural commodities.

3 (e) Increase the domestic consumption of agricultural
4 commodities by expanding or aiding in the expansion of
5 domestic markets or by developing or aiding in the develop-
6 ment of new and additional markets, marketing facilities, and
7 uses for such commodities.

8 (f) Export or cause to be exported, or aid in the
9 development of foreign markets for, agricultural commodities.

10 (g) Carry out such other operations as the Congress
11 may specifically authorize or provide for.

12 SEC. 6. EXISTING STATUTES APPLICABLE TO THE
13 CORPORATION.—The Federal statutes applicable to Com-
14 modity Credit Corporation, a Delaware corporation, shall be
15 applicable to the Corporation. Commodity Credit Corpora-
16 tion, a Delaware corporation, shall cease to be an agency
17 of the United States as provided in section 7 (a) of the Act
18 of January 31, 1935, as amended (15 U. S. C., 1940 edition,
19 Supp. V, 713 (a)).

20 SEC. 7. CAPITAL STOCK.—The Corporation shall have
21 a capital stock of \$100,000,000 which shall be subscribed by
22 the United States. Such subscription shall be deemed to be
23 fully paid by the transfer of assets to the Corporation pur-
24 suant to section 16 of this Act. The Corporation shall pay
25 interest to the United States Treasury on the amount of its

1 capital stock, and on the amount of the obligations of the
2 Corporation purchased by the Secretary of the Treasury
3 pursuant to the Act of March 8, 1938 (U. S. C., title 15,
4 sec. 713a-4), as amended, at such rates as may be deter-
5 mined by the Secretary of the Treasury to be appropriate
6 in view of the terms for which such amounts are made
7 available to the Corporation.

8 SEC. 8. FUNDS.—The Corporation is authorized to use
9 in the conduct of its business all its funds and other assets,
10 including capital and net earnings therefrom, and all funds
11 and other assets which have been or may hereafter be
12 transferred or allocated to, borrowed by, or otherwise
13 acquired by it.

14 SEC. 9. DIRECTORS.—The management of the Corpora-
15 tion shall be vested in a Board of Directors (hereinafter
16 referred to as the “Board”). The Board shall consist of
17 five members. The Secretary of Agriculture, or his nominee,
18 shall be a member of the Board and the remaining members
19 shall be appointed by the President by and with the advice
20 and consent of the Senate. The Chairman of the Board
21 shall be selected by the Board. A majority of the directors
22 shall constitute a quorum of the Board and action shall be
23 taken only by a majority vote of those present. The ap-
24 pointed directors shall serve for a period of five years, except
25 that the terms of the first Board shall be shortened to pro-

vide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States. The Corporation may provide, by its bylaws, for the compensation to be paid the directors: *Provided*, That the compensation paid any director shall not exceed in the aggregate \$ per annum: *And provided further*, That employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the Board. Employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not comprise, in the aggregate, more than one-half the members of the Board.

SEC. 10. THE EXECUTIVE STAFF.—Responsibility for the day-to-day conduct of the business of the Corporation shall be vested in a staff of executive officers, headed by a chief executive appointed by the Board and responsible to the Board. The executive staff shall include a controller. Members of the executive staff shall devote their full time to the affairs of the Corporation. The Board shall define the authority and duties of the members of the executive staff, delegate to them such of the powers vested in the Corporation as it may determine, require that such of them as it may designate be bonded and fix the penalties therefor.

1 The Corporation may pay the premium of any bond or
2 bonds of any officer or employee. With the exception of
3 experts, appointments shall be made pursuant to the civil-
4 service laws and the Classification Act of 1923, as amended
5 (5 U. S. C., 1940 edition, 661).

6 SEC. 11. COOPERATION WITH OTHER GOVERNMENTAL
7 AGENCIES.—The Corporation may, with the consent of the
8 agency concerned, accept and utilize, on a compensated or
9 uncompensated basis, the officers, employees, services, facil-
10 ities, and information of any agency of the Federal Govern-
11 ment, including any bureau, office, administration, or other
12 agency of the Department of Agriculture, and of any State,
13 the District of Columbia, any Territory or possession, or any
14 political subdivision thereof. The Corporation may allot
15 to any bureau, office, administration, or other agency of
16 the Department of Agriculture or transfer to such other
17 agencies as it may request to assist it in the conduct of its
18 business any of the funds available to it for administrative
19 expenses. The personnel and facilities of the Corporation
20 may, with the consent of the Corporation, be utilized on a
21 reimbursable basis by any agency of the Federal Govern-
22 ment, including any bureau, office, administration, or other
23 agency of the Department of Agriculture, in the performance
24 of any part or all of the functions of such agency.

25 SEC. 12. UTILIZATION OF ASSOCIATIONS AND TRADE

1 FACILITIES.—The Corporation may, in the conduct of its
 2 business, utilize on a contract or fee basis, committees or
 3 associations of producers, producer-owned and producer-
 4 controlled cooperative associations, and trade facilities.

5 SEC. 13. RECORDS; ANNUAL REPORT.—The Corpora-
 6 tion shall at all times maintain complete and accurate books
 7 of account and shall file annually with the Secretary of Agri-
 8 culture a complete report as to the business of the Corpora-
 9 tion, a copy of which shall be forwarded by the Secretary
 10 of Agriculture to the President for transmission to the
 11 Congress.

12 SEC. 14. INTEREST OF MEMBERS OF THE CONGRESS.—
 13 The provisions of section 1 of the Act of February 27, 1877,
 14 as amended (41 U. S. C., 1940 edition, 22), shall apply to
 15 all contracts or agreements of the Corporation, except con-
 16 tracts or agreements of a kind which the Corporation may
 17 enter into with farmers participating in a program of the
 18 Corporation.

19 SEC. 15. CRIMES AND OFFENSES.—

20 FALSE STATEMENTS; OVERVALUATION OF SECURITIES

21 (a) Whoever makes any statement knowing it to be
 22 false, or whoever willfully overvalues any security, for the
 23 purpose of influencing in any way the action of the Corpora-
 24 tion, or for the purpose of obtaining for himself or another,

1 money, property, or anything of value, under this Act, or
2 under any other Act applicable to the Corporation, shall,
3 upon conviction thereof, be punished by a fine of not more
4 than \$10,000 or by imprisonment by not more than five
5 years, or both.

6 EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUD-
7 ULENT ISSUE OF OBLIGATIONS OF CORPORATION

8 (b) Whoever, being connected in any capacity with
9 the Corporation or any of its programs, (i) embezzles,
10 abstracts, purloins, or willfully misapplies any money, funds,
11 securities, or other things of value, whether belonging to
12 the Corporation or pledged or otherwise entrusted to it;
13 or (ii) with intent to defraud the Corporation, or any other
14 body, politic or corporate, or any individual, or to deceive
15 any officer, auditor, or examiner of the Corporation, makes
16 any false entry in any book, report, or statement of, or to,
17 the Corporation, or draws any order, or issues, puts forth
18 or assigns any note or other obligation or draft, mortgage,
19 judgment, or decree thereof; or (iii) with intent to de-
20 fraud the Corporation, participates or shares in, or receives
21 directly or indirectly any money, profit, property, or benefits
22 through any transaction, loan, commission, contract, or any
23 other act of the Corporation, shall, upon conviction thereof,
24 be punished by a fine or not more than \$10,000 or by
25 imprisonment for not more than five years, or both.

LARCENY; CONVERSION OF PROPERTY

(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

GENERAL STATUTES APPLICABLE

(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the Act of March 4, 1909, as amended (18 U. S. C., 1940 edition, 204, 205) shall not apply to contracts or agreements of a kind which the Corpo-

1 ration may enter into with farmers participating in a program
2 of the Corporation.

3 SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT
4 CORPORATION, A DELAWARE CORPORATION.—The assets,
5 funds, property, and records of Commodity Credit Corpora-
6 tion, a Delaware corporation, are hereby transferred to the
7 Corporation. The rights, privileges, and powers, and the
8 duties and liabilities of Commodity Credit Corporation, a
9 Delaware corporation, in respect to any contract, agreement,
10 loan, account, or other obligation shall become the rights,
11 privileges, and powers, and the duties and liabilities, respec-
12 tively, of the Corporation. The enforceable claims of or
13 against Commodity Credit Corporation, a Delaware corpora-
14 tion, shall become the claims of or against, and may be
15 enforced by or against, the Corporation.

16 SEC. 17. DISSOLUTION OF DELAWARE CORPORA-
17 TION.—The Secretary of Agriculture, representing the United
18 States as the sole owner of the capital stock of Commodity
19 Credit Corporation, a Delaware corporation, is hereby au-
20 thorized and directed to institute or cause to be instituted
21 such proceedings as are required for the dissolution of said
22 Corporation under the laws of the State of Delaware. The
23 costs of such dissolution of said Corporation shall be borne
24 by the Corporation.

1 SEC. 18. EFFECTIVE DATE.—This Act shall take effect
2 on July 1, 1948.

80TH CONGRESS
2^D Session

H. R. 6214

A BILL

To provide a Federal charter for the Commodity
Credit Corporation.

By Mr. WOLCOTT

APRIL 12, 1948

Referred to the Committee on Banking and Currency

80TH CONGRESS
2D SESSION

H. R. 6263

IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 1948

Mr. WOLCOTT introduced the following bill; which was referred to the Committee on Banking and Currency

A BILL

To provide a Federal charter for the Commodity Credit Corporation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—COMMODITY CREDIT CORPORATION

4 CHARTER

5 SEC. 1. This title may be cited as the “Commodity
6 Credit Corporation Charter Act”.

7 SEC. 2. CREATION AND PURPOSES.—For the purpose
8 of stabilizing, supporting, and protecting farm income and
9 prices, of assisting in the maintenance of balanced and ade-
10 quate supplies of agricultural commodities, products thereof,
11 foods, feeds, and fibers (hereinafter collectively referred to as

1 “agricultural commodities”), and of facilitating the orderly
2 distribution of agricultural commodities, there is hereby
3 created a body corporate to be known as the Commodity
4 Credit Corporation (hereinafter referred to as the “Corpora-
5 tion”), which shall be an agency and instrumentality of the
6 United States, within the Department of Agriculture, subject
7 to the general direction and control of its Board of Directors.

8 SEC. 3. OFFICES.—The Corporation may establish of-
9 fices in such place or places as it may deem necessary or
10 desirable in the conduct of its business.

11 SEC. 4. GENERAL POWERS.—The Corporation—

12 (a) Shall have succession in its corporate name.

13 (b) May adopt, alter, and use a corporate seal, which
14 shall be judicially noticed.

15 (c) May sue and be sued, but no attachment, injunc-
16 tion, garnishment, or other similar process, mesne or final,
17 shall be issued against the Corporation or its property. The
18 district courts of the United States, including the district
19 courts of the District of Columbia and of any Territory or
20 possession, shall have exclusive original jurisdiction of all
21 suits brought by or against the Corporation: *Provided*, That
22 the Corporation may intervene in any court in any suit,
23 action, or proceeding in which it has an interest. Any suit
24 against the Corporation shall be brought in the District
25 of Columbia, or in the district wherein the plaintiff resides

1 or is engaged in business. No suit against the Corporation
2 shall be allowed unless it shall have been brought within
3 two years after the right accrued on which suit is brought.
4 All suits against the Corporation shall be tried by the court
5 without a jury. Notwithstanding any other provision of
6 this Act, the Federal Tort Claims Act (Public Law 601,
7 Seventy-ninth Congress) shall be applicable to the Cor-
8 poration.

9 (d) May adopt, amend, and repeal bylaws, rules, and
10 regulations governing the manner in which its business
11 may be conducted and the powers vested in it may be
12 exercised.

13 (e) Shall have all the rights, privileges, and immunities
14 of the United States, including, but not limited to, the right
15 to priority of payment with respect to debts due from in-
16 solvent, deceased, or bankrupt debtors, and immunity from
17 the imposition of court costs, fees, and charges, from the
18 allowance of interest on claims and judgments, and from
19 State and local statutes of limitations on suits, actions, or
20 proceedings. The Corporation may assert such rights, priv-
21 ileges, and immunities in any suit, action, or proceeding.

22 (f) Shall be entitled to the use of the United States
23 mails in the same manner and upon the same conditions as
24 the executive departments of the Federal Government.

25 (g) May enter into and carry out such contracts or

1 agreements as it deems necessary or desirable in the conduct
2 of its business. State and local regulatory laws or rules shall
3 not be applicable with respect to contracts or agreements of
4 the Corporation or the parties thereto to the extent that such
5 contracts or agreements provide that such laws or rules shall
6 not be applicable, or to the extent that such laws or rules
7 are inconsistent with such contracts or agreements.

8 (h) May in any manner acquire, hold, and dispose of
9 such real or personal property or any interest therein as
10 it deems necessary or desirable in the conduct of its business.

11 (i) May borrow money subject to any provision of
12 law applicable to the Corporation: *Provided*, That the total
13 of all money borrowed by the Corporation, other than trust
14 deposits and advances received on sales, shall not at any time
15 exceed in the aggregate \$4,750,000,000. The Corporation
16 shall at all times reserve a sufficient amount of its authorized
17 borrowing power which, together with other funds available
18 to the Corporation, will enable it to purchase, in accordance
19 with its contracts with lending agencies, notes, or other obliga-
20 tions evidencing loans made by such agencies under the Cor-
21 poration's programs.

22 (j) Shall determine the character of and the necessity
23 for its obligations and expenditures and the manner in which
24 they shall be incurred, allowed, and paid.

25 (k) Shall have authority to make final and conclusive

1 settlement and adjustment of any claims by or against the
2 Corporation or the accounts of its fiscal officers.

3 (l) May make such loans and advances of its funds as it
4 deems necessary or desirable in the conduct of its business.

5 (m) Shall have such powers as may be necessary or
6 appropriate for the exercise of the powers specifically vested
7 in the Corporation, and all such incidental powers as are
8 customary in corporations generally; but any research
9 financed by the Corporation shall relate to the conservation
10 or disposal of commodities owned or controlled by the Cor-
11 poration and shall be conducted in collaboration with research
12 agencies of the Department of Agriculture.

13 SEC. 5. SPECIFIC POWERS. In the fulfillment of its
14 purposes and in carrying out its annual budget programs
15 submitted to and approved by the Congress pursuant to the
16 Government Corporation Control Act (31 U. S. C., 1940
17 edition, Supp. V, 841), the Corporation is authorized to
18 use its general powers only to—

19 (a) Support the prices of agricultural commodities
20 through loans, purchases, payments, and other operations.

21 (b) Make available materials and facilities required in
22 connection with the production and marketing of agricul-
23 tural commodities.

24 (c) Procure agricultural commodities for sale to other
25 Government agencies, foreign governments, and domestic,

1 foreign, or international relief or rehabilitation agencies, and
2 to meet domestic requirements.

3 (d) Remove and dispose of or aid in the removal or
4 disposition of surplus agricultural commodities.

5 (e) Increase the domestic consumption of agricultural
6 commodities by expanding or aiding in the expansion of
7 domestic markets or by developing or aiding in the develop-
8 ment of new and additional markets, marketing facilities, and
9 uses for such commodities.

10 (f) Export or cause to be exported, or aid in the
11 development of foreign markets for, agricultural commodities.

12 (g) Carry out such other operations as the Congress
13 may specifically authorize or provide for.

14 SEC. 6. EXISTING STATUTES APPLICABLE TO THE
15 CORPORATION.—The Federal statutes applicable to Com-
16 modity Credit Corporation, a Delaware corporation, shall be
17 applicable to the Corporation. Commodity Credit Corpora-
18 tion, a Delaware corporation, shall cease to be an agency
19 of the United States as provided in section 7 (a) of the Act
20 of January 31, 1935, as amended (15 U. S. C., 1940 edition,
21 Supp. V, 713 (a)).

22 SEC. 7. CAPITAL STOCK.—The Corporation shall have
23 a capital stock of \$100,000,000 which shall be subscribed by
24 the United States. Such subscription shall be deemed to be
25 fully paid by the transfer of assets to the Corporation pur-

1 suant to section 16 of this Act. The Corporation shall pay
2 interest to the United States Treasury on the amount of its
3 capital stock, and on the amount of the obligations of the
4 Corporation purchased by the Secretary of the Treasury
5 pursuant to the Act of March 8, 1938 (U. S. C., title 15,
6 sec. 713a-4), as amended, at such rates as may be deter-
7 mined by the Secretary of the Treasury to be appropriate
8 in view of the terms for which such amounts are made
9 available to the Corporation.

10 SEC. 8. FUNDS.—The Corporation is authorized to use
11 in the conduct of its business all its funds and other assets,
12 including capital and net earnings therefrom, and all funds
13 and other assets which have been or may hereafter be
14 transferred or allocated to, borrowed by, or otherwise
15 acquired by it.

16 SEC. 9. DIRECTORS.—The management of the Corpora-
17 tion shall be vested in a Board of Directors (hereinafter
18 referred to as the “Board”). The Board shall consist of
19 five members. The Secretary of Agriculture, or his nominee,
20 shall be a member of the Board and the remaining members
21 shall be appointed by the President by and with the advice
22 and consent of the Senate. The Chairman of the Board
23 shall be selected by the Board. A majority of the directors
24 shall constitute a quorum of the Board and action shall be
25 taken only by a majority vote of those present. The ap-

1 pointed directors shall serve for a period of five years, except
2 that the terms of the first Board shall be shortened to pro-
3 vide for replacement or reappointment of its members in
4 number as nearly equal as practicable in each year. The
5 power of removal shall be vested in the President of the
6 United States. The Corporation may provide, by its bylaws,
7 for the compensation to be paid the directors: *Provided*, That
8 the compensation paid any director shall not exceed in the
9 aggregate \$ per annum: *And provided further*, That
10 employees of the Corporation or any department or agency
11 of the Federal Government, if also directors, shall not receive
12 additional compensation for their services on the Board.
13 Employees of the Corporation or any department or agency
14 of the Federal Government, if also directors, shall not com-
15 prise, in the aggregate, more than one-half the members of
16 the Board.

17 SEC. 10. THE EXECUTIVE STAFF.—Responsibility for
18 the day-to-day conduct of the business of the Corporation
19 shall be vested in a staff of executive officers, headed by a
20 chief executive appointed by the Board and responsible to
21 the Board. The executive staff shall include a controller.
22 Members of the executive staff shall devote their full time
23 to the affairs of the Corporation. The Board shall define
24 the authority and duties of the members of the executive
25 staff, delegate to them such of the powers vested in the

1 Corporation as it may determine, require that such of them
2 as it may designate be bonded and fix the penalties therefor.
3 The Corporation may pay the premium of any bond or
4 bonds of any officer or employee. With the exception of
5 experts, appointments shall be made pursuant to the civil-
6 service laws and the Classification Act of 1923, as amended
7 (5 U. S. C., 1940 edition, 661).

8 SEC. 11. COOPERATION WITH OTHER GOVERNMENTAL
9 AGENCIES.—The Corporation may, with the consent of the
10 agency concerned, accept and utilize, on a compensated or
11 uncompensated basis, the officers, employees, services, facil-
12 ities, and information of any agency of the Federal Govern-
13 ment, including any bureau, office, administration, or other
14 agency of the Department of Agriculture, and of any State,
15 the District of Columbia, any Territory or possession, or any
16 political subdivision thereof. The Corporation may allot
17 to any bureau, office, administration, or other agency of
18 the Department of Agriculture or transfer to such other
19 agencies as it may request to assist it in the conduct of its
20 business any of the funds available to it for administrative
21 expenses. The personnel and facilities of the Corporation
22 may, with the consent of the Corporation, be utilized on a
23 reimbursable basis by any agency of the Federal Govern-
24 ment, including any bureau, office, administration, or other

1 agency of the Department of Agriculture, in the performance
2 of any part or all of the functions of such agency.

3 SEC. 12. UTILIZATION OF ASSOCIATIONS AND TRADE
4 FACILITIES.—The Corporation may, in the conduct of its
5 business, utilize on a contract or fee basis, committees or
6 associations of producers, producer-owned and producer-
7 controlled cooperative associations, and trade facilities.

8 SEC. 13. RECORDS; ANNUAL REPORT.—The Corpora-
9 tion shall at all times maintain complete and accurate books
10 of account and shall file annually with the Secretary of Agri-
11 culture a complete report as to the business of the Corpora-
12 tion, a copy of which shall be forwarded by the Secretary
13 of Agriculture to the President for transmission to the
14 Congress.

15 SEC. 14. INTEREST OF MEMBERS OF THE CONGRESS.—
16 The provisions of section 1 of the Act of February 27, 1877,
17 as amended (41 U. S. C., 1940 edition, 22), shall apply to
18 all contracts or agreements of the Corporation, except con-
19 tracts or agreements of a kind which the Corporation may
20 enter into with farmers participating in a program of the
21 Corporation.

22 SEC. 15. CRIMES AND OFFENSES.—

23 FALSE STATEMENTS; OVERVALUATION OF SECURITIES

24 (a) Whoever makes any statement knowing it to be
25 false, or whoever willfully overvalues any security, for the

1 purpose of influencing in any way the action of the Corpora-
2 tion, or for the purpose of obtaining for himself or another,
3 money, property, or anything of value, under this Act, or
4 under any other Act applicable to the Corporation, shall,
5 upon conviction thereof, be punished by a fine of not more
6 than \$10,000 or by imprisonment by not more than five
7 years, or both.

8 EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUD-

9 ULENT ISSUE OF OBLIGATIONS OF CORPORATION

10 (b) Whoever, being connected in any capacity with
11 the Corporation or any of its programs, (i) embezzles,
12 abstracts, purloins, or willfully misapplies any money, funds,
13 securities, or other things of value, whether belonging to
14 the Corporation or pledged or otherwise entrusted to it;
15 or (ii) with intent to defraud the Corporation, or any other
16 body, politic or corporate, or any individual, or to deceive
17 any officer, auditor, or examiner of the Corporation, makes
18 any false entry in any book, report, or statement of, or to,
19 the Corporation, or draws any order, or issues, puts forth
20 or assigns any note or other obligation or draft, mortgage,
21 judgment, or decree thereof; or (iii) with intent to de-
22 fraud the Corporation, participates or shares in, or receives
23 directly or indirectly any money, profit, property, or benefits
24 through any transaction, loan, commission, contract, or any
25 other act of the Corporation, shall, upon conviction thereof,

1 be punished by a fine or not more than \$10,000 or by
2 imprisonment for not more than five years, or both.

3 LARCENY; CONVERSION OF PROPERTY

4 (c) Whoever shall willfully steal, conceal, remove, dis-
5 pose of, or convert to his own use or to that of another any
6 property owned or held by, or mortgaged or pledged to, the
7 Corporation, shall, upon conviction thereof, be punished by a
8 fine of not more than \$10,000 or by imprisonment for not
9 more than five years, or both.

10 CONSPIRACY TO COMMIT OFFENSE

11 (d) Whoever conspires with another to accomplish any
12 of the acts made unlawful by the preceding provisions of this
13 section shall, upon conviction thereof, be subject to the same
14 fine or imprisonment, or both, as is applicable in the case
15 of conviction for doing such unlawful acts.

16 GENERAL STATUTES APPLICABLE

17 (e) All the general penal statutes relating to crimes and
18 offenses against the United States shall apply with respect
19 to the Corporation, its property, money, contracts and agree-
20 ments, employees, and operations: *Provided*, That such
21 general penal statutes shall not apply to the extent that they
22 relate to crimes and offenses punishable under subsections
23 (a), (b), (c), and (d) of this section: *Provided further*,
24 That sections 114 and 115 of the Act of March 4, 1909, as
25 amended (18 U. S. C., 1940 edition, 204, 205) shall not

1 apply to contracts or agreements of a kind which the Corpo-
2 ration may enter into with farmers participating in a program
3 of the Corporation.

4 SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT
5 CORPORATION, A DELAWARE CORPORATION.—The assets,
6 funds, property, and records of Commodity Credit Corpora-
7 tion, a Delaware corporation, are hereby transferred to the
8 Corporation. The rights, privileges, and powers, and the
9 duties and liabilities of Commodity Credit Corporation, a
10 Delaware corporation, in respect to any contract, agreement,
11 loan, account, or other obligation shall become the rights,
12 privileges, and powers, and the duties and liabilities, respec-
13 tively, of the Corporation. The enforceable claims of or
14 against Commodity Credit Corporation, a Delaware corpora-
15 tion, shall become the claims of or against, and may be
16 enforced by or against, the Corporation.

17 SEC. 17. DISSOLUTION OF DELAWARE CORPORA-
18 TION.—The Secretary of Agriculture, representing the United
19 States as the sole owner of the capital stock of Commodity
20 Credit Corporation, a Delaware corporation, is hereby au-
21 thorized and directed to institute or cause to be instituted
22 such proceedings as are required for the dissolution of said
23 Corporation under the laws of the State of Delaware. The
24 costs of such dissolution of said Corporation shall be borne
25 by the Corporation.

1 SEC. 18. EFFECTIVE DATE.—This title shall take effect
2 as of midnight June 30, 1948.

3 TITLE II—AMENDMENTS TO EXISTING LAW

4 SEC. 201. Section 8 (a) of the Stabilization Act of 1942,
5 as amended (U. S. C., 1940 edition, Supp. V, title 50, sec.
6 968), is amended by striking out “before the expiration of
7 the two-year period beginning with the 1st day of January
8 immediately following the date upon which the President by
9 proclamation or the Congress by concurrent resolution de-
10 clares that hostilities in the present war have terminated”
11 and by inserting in lieu thereof “on or before December 31,
12 1952”.

13 SEC. 202 Section 4 (b) of the Act entitled “An Act to
14 extend the life and increase the credit resources of the Com-
15 modity Credit Corporation, and for other purposes”, ap-
16 proved July 1, 1941 (U. S. C., 1940 edition, Supp. V, title
17 15, sec. 713a-8), is amended by striking out “the expiration
18 of the two-year period beginning with the 1st day of January
19 immediately following the date upon which the President by
20 proclamation or the Congress by concurrent resolution de-
21 clares that hostilities in the present war have terminated”
22 and by inserting in lieu thereof “December 31, 1952”.

80TH CONGRESS
2D Session

H. R. 6263

A BILL

To provide a Federal charter for the Commodity
Credit Corporation, and for other purposes.

By Mr. WOLCOTT

APRIL 15, 1948

Referred to the Committee on Banking and Currency

S. 1322

IN THE SENATE OF THE UNITED STATES

APRIL 20 (legislative day, MARCH 29), 1948

Ordered to lie on the table and to be printed

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, viz:

1 On page 10, line 13, after the words "fee basis," insert
2 the words "privately owned and operated plants and facili-
3 ties".

4 On page 10, line 15, strike out all after the word "and"
5 and insert in lieu thereof "shall to the fullest extent prac-
6 ticable utilize existing trade channels for the marketing, sale,
7 and distribution of such agricultural commodities".

AMENDMENTS

Intended to be proposed by Mr. WILLIAMS to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation.

APRIL 20 (legislative day, March 29), 1948

Ordered to lie on the table and to be printed

80TH CONGRESS
2D SESSION

S. 1322

IN THE SENATE OF THE UNITED STATES

APRIL 20 (legislative day, MARCH 29), 1948

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. WILLIAMS (for himself, Mr. BYRD, Mr. KEM, Mr. MALONE, and Mr. HICKENLOOPER) to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, viz:

1 On page 8, beginning after the period in line 22, strike
2 out down through line 4 on page 9, and insert in lieu thereof
3 the following: "The Board shall consist of four members
4 (in addition to the Secretary), who shall be appointed by
5 the President, by and with the advice and consent of the
6 Senate. Each appointed member of the Board shall receive
7 compensation at the rate of \$10,000 per annum and shall
8 hold office for a term of four years, except that (a) any
9 member appointed to fill a vacancy occurring prior to the

1 expiration of the term for which his predecessor was ap-
2 pointed, shall be appointed for the remainder of such term,
3 and (b) the terms of office of members first taking office
4 after the date of enactment of this Act shall expire, as desig-
5 nated by the President at the time of appointment, one at
6 the end of one year, one at the end of two years, one at
7 the end of three years, and one at the end of four years, after
8 the date of enactment of this Act. In addition to their duties
9 as members of the Board, such appointed members shall
10 perform such other duties as may be prescribed by the
11 Secretary.”

AMENDMENT

Intended to be proposed by Mr. WILLIAMS (for himself, Mr. BYRD, Mr. KEAM, Mr. MALONE, and Mr. HICKENTLOOPER) to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation.

APRIL 20 (legislative day, MARCH 29), 1948

Ordered to lie on the table and to be printed

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued April 23, 1948
For actions of April 22, 1948
80th-2nd, No. 73

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HIGHLIGHTS: Senate passed housing bill with amendment authorizing rural-housing loans and grants. Senate passed CCC charter bill. Senate passed wheat-carryover bill reducing requirement to 120,000,000 bu. Senate passed bill to provide for purchase of agricultural commodities for processing in occupied areas and sale. Senate received Harriman and Sawyer nominations. House committee reported CCC charter bill. House committee ordered reported bill to retire Government capital in banks for cooperatives. Reps. Andresen and Murray (Wis.) opposed oleo-tax repeal. House members of Joint Committee on Foreign Economic Cooperation appointed. Sen. Capper introduced bill to retire Government capital in banks for cooperatives.

SENATE

- 1. HOUSING.** Passed with amendments S. 866, the housing bill (pp. 4843-54). Agreed to the Young-Russell amendment regarding rural housing (pp. 4846-52).
This amendment authorizes the Secretary to borrow from the Treasury such sums as Congress may from time to time determine, to make loans for rural housing, but not over \$25,000,000 on or after July 1, 1948; an additional \$50,000,000 on or after July 1, 1949; and an additional \$100,000,000 on or after July 1, 1951. In connection with such loans, authorizes the Secretary, on or before July 1, 1948, to make commitments for contributions aggregating not over \$500,000 a year, and to make additional commitments on or after July 1 of each of the years 1949, 1950, and 1951 which will require aggregate contributions of not over \$1,000,000, \$1,500,000, and \$2,000,000 annually, respectively. Authorizes appropriation to USDA (a) sums to permit payments on obligations to Treasury equal to the contributions and interest; (b) an additional \$1,000,000 for grants on or after July 1, 1948, which amount would be increased by further amounts of \$2,500,000, \$4,000,000, and \$5,000,000, on July 1 of each of the years 1949, 1950, and 1951, respectively; and (c) administrative expenses. Authorizes the Secretary to carry out this program through such agency personnel as he may determine. The program is to enable farm owners in the U.S., Alaska, Hawaii, and Puerto Rico to construct, improve, alter, repair, or replace dwellings and facilities incident to family living on their farms and to provide them, their tenants, lessees, sharecroppers, and laborers with decent, safe, and sanitary living conditions. In addition, the amendment authorizes the Secretary to furnish to all persons, without charge or at such charges as he may determine, technical services, advice, and information regarding rural dwellings and other farm buildings; authorizes the Secretary and the Housing & Home Finance Agency

to cooperate in research and technical studies in the rural-housing field; and permits the Secretary, in furnishing such services and information, to utilize, through the Extension Service, the facilities and services of the State agencies and educational institutions.

The bill also includes an authorization for housing research by the Housing and Home Finance Agency, utilizing existing facilities to the fullest practicable extent.

2. CCC CHARTER. Passed with amendments S. 1322, providing a Federal charter for CCC (pp. 4860, 4870-80). Agreed to the committee amendments (pp. 4870-2). Agreed to the Williams amendments to permit CCC to use private plants and facilities on a contract or fee basis, and to require the Corporation to use existing private trade channels, to the fullest extent practicable, for the marketing, sale, and distribution of agricultural commodities (pp. 4872-4). Agreed to the Williams amendment to provide for 4 CCC Board members (in addition to the Secretary), at \$10,000, for 4-year terms, who would be appointed by the President and confirmed by the Senate (pp. 4872-7). Just before this amendment was agreed to, Sen. Aiken moved to modify it to provide for 6 members, but the motion was rejected (p. 4877). Agreed to the Byrd amendment to extend the Corporation through June 30, 1960, instead of perpetually (pp. 4877-8); Sen. Aiken accepted this amendment on the basis that it would put CCC on the same basis as RFC. Agreed to the Byrd amendment specifying the functions of CCC; Sen. Aiken said this amendment was in accord with the Committee's intentions (p. 4878). Agreed to the Byrd amendment to strike out the provision which, Sen. Byrd said, "permits the pooling of the administrative expenses of the Department of Agriculture and the Commodity Credit Corporation" (p. 4878). The bill, as passed, was printed in the Record (pp. 4878-80).
3. WHEAT CARRYOVER. Passed S. 2158, relating to the wheat-carryover requirement. Agreed to an amendment by Sen. Williams to reduce the carryover requirement from 150,000,000 bushels to 120,000,000 bushels rather than to provide for outright repeal of the requirement. (pp. 4854-5.)
4. FOREIGN AID. Passed as reported S. 2376, to provide for the purchase of agricultural commodities and raw materials to be processed in occupied areas and sold (pp. 4855-9). Agreed to the committee amendment (see Digest 65).
5. TARIFF. Agreed to H. Con. Res. 188, authorizing corrections in the enrolling of H. R. 5328, relating to the tariff on firewood and certain other woods (p. 4880).
6. NOMINATIONS. Received from the President the nominations of W. Averell Harriman to be U. S. Special Representative in Europe on ERP and Charles Sawyer to be Secretary of Commerce (p. 4886).
7. REORGANIZATION. Sen. Lodge, Mass., inserted a statement by Herbert Hoover on the progress of the Commission on Organization of the Executive Branch of the Government (pp. 4842-3).
8. PENALTY MAIL. Received from the Post Office Department a report on penalty mail for part of the fiscal year 1947; to Post Office and Civil Service Committee (p. 4839).
9. TRADE AGREEMENTS. Sen. Myers, Pa., spoke in favor of continuation of the Reciprocal Trade Agreements Act (p. 4861).
10. RECESSED until Mon., Apr. 26 (p. 4886). Agreed to read the calendar at that time (p. 4886). Authorized the Appropriations Committee to report the first

requested the executive branch to provide the committee with its recommendation along this line. The committee is pleased to receive the recommendations of the Commission, but believes that more study is necessary to give adequate consideration to the proposals which have been submitted. In the short time which was devoted to this problem, the ramifications of such an extensive revision of the Classification Act could not have been properly explored. The temporary nature of the proposed legislation will give the committee sufficient time to study the recommendations of the President and the Civil Service Commission. This study, together with the committee's recommendations, should be completed before the expiration date of this bill."

14. CCC CHARTER. The Banking and Currency Committee reported with amendments H. R. 6263, to provide a Federal charter for CCC, etc. (H. Rept. 1790) (p. 4919).
15. FARM LOANS. The Agriculture Committee ordered reported, but did not actually report, H. R. 6301, to provide for retirement of Government capital in the central and regional banks for cooperatives (p. D394).
16. FOREIGN AID. Reps. Vorys (Ohio), Fulton (Pa.), and Bloom (N. Y.), of the Foreign Affairs Committee, and Reps. Taber (N. Y.) and Cannon (Mo.), of the Appropriations Committee, were appointed on the Joint Committee on Foreign Economic Cooperation (p. 4918). Senate members were appointed Apr. 7 (see Digest 64).
17. OLEOMARGARINE. Rep. Andresen, Minn., spoke in opposition to repeal of taxes on oleomargarine, particularly opposing sale of yellow-colored oleo and claiming that repeal would bring about a reduction in dairy herds (pp. 4904-9).
Rep. Murray, Wis., opposed repeal of oleomargarine taxes, claiming that repeal would "destroy the whole dairy industry" and tend to reduce the hourly return of farm labor (pp. 4909-11).
Rep. Mitchell, Ind., announced that N. J. has passed legislation "which will permit the housewives of New Jersey to buy oleomargarine, colored, free from State restrictions" (p. 4890).
Rep. Buck, N. Y., stated that he asked the Cudahy Packing Co. to give him the effect on sales of failing to include coloring matter in oleo packages (p. 4891).
Majority Leader Halleck announced that the discharge petition on H. R. 2345, to repeal oleomargarine taxes, would be taken up under the discharge rule Mon., Apr. 26 (p. 4893).
18. PERSONNEL. The "Daily Digest" states that the Post Office and Civil Service Committee ordered reported (but did not actually report) H. R. 4917, providing further benefits for World War II veterans who are Federal employees and lost opportunity for probational civil-service appointments due to military service or service-connected disabilities, and S. 1493, to give the Civil Service Commission final decision as to eligibility under the Veterans Preference Act (p. D395).
19. IRRIGATION. The Public Lands Committee reported without amendment H. R. 6067, authorizing the execution of an amendatory repayment contract with the Northport irrigation district (H. Rept. 1785) (p. 4919).
The Public Lands Committee reported with amendment H. R. 3731, authorizing modifications in the repayment contracts with the lower Yellowstone irrigation districts (H. Rept. 1780) (p. 4919).
20. WATER UTILIZATION. The Public Lands Committee reported without amendment H. R. 5901, providing for the distribution among the States of Colo., N. Mex., Utah, and Wyo. of the receipts of the Colorado River Development funds for use in

deficiency appropriation bill; the State, Justice, Commerce, Judiciary appropriation bill; and the Labor-Federal Security appropriation bill during recess (pp. 4842, D392).

11. **TARIFF.** The Butler amendment to H.R. 5275, to permit free importation of lime stone for fertilizer manufacture, would also permit free importation of twine chiefly used for baling hay, straw, or other fodder and bedding materials.

HOUSE

12. **PRICE SUPPORTS.** H.R. 6248, as reported (see Digest 72), provides as follows: Provides for continuation of price support for cotton, wheat, corn, tobacco, rice, and peanuts which are marketed before June 30, 1950. Provides for price support, if producers have not disapproved marketing quotas, at 90% of parity for cooperators, and for noncooperators at 60% of the rate specified for cooperators, and only on so much of the commodity as would be subject to penalty if marketed. (This is the same level at which such commodities have been authorized to receive price support under the present law, with the exception of cotton, which has been authorized to be supported at 92 $\frac{1}{8}$ %, and of corn produced outside the commercial corn-producing area, which has been authorized to be supported at 75% of the rate specified for cooperators for corn produced within the commercial area.) Authorizes price supports, under the bill, to be provided in the form of loans, purchases, or other operations (under existing law such support has been authorized in the form of loans). Directs price supports of Steagall commodities at not less than 60% of parity or comparable price and not more than the 1948 support levels, except that milk and its products are to be supported at 90% of parity or comparable price. (The Committee report states that, in providing for this level of support for milk and its products, "it is intended that programs should be carried out in such manner as to reflect to producers of milk and butterfat 90 percent of the parity price and not to provide price support for processors, except as it may be necessary to reflect the support level to producers of milk and butterfat." Under present law Steagall commodities are required to be supported at not less than 90%.) Authorizes the Secretary to require compliance with production goals and marketing regulations as a condition for price support. Continues the present price-support program for wool, until June 30, 1950. Declares it to be the policy of Congress that the lending-purchase operations of the Department shall, after taking into consideration the availability of funds, be carried out so as to bring the price and income of producers of other agricultural commodities to a fair parity relationship with the basic and Steagall commodities. Authorizes the Secretary to use any funds available to the Department, or any agency under his supervision, for price-support or stabilization operations in carrying out the bill. Amends Sec. 22 of the AAA Act, as reenacted by the Agricultural Marketing Agreement Act, so as to authorize import controls to protect agricultural programs, except that this section could not operate in contravention of any treaty or international agreement to which the U. S. is a party.

13. **PAY INCREASES.** H. R. 5472, as reported (see Digest 72), provides as follows: Makes a temporary increase of \$468 in Federal salaries, except 25 cents an hour for hourly or part-time employees. These increases would be in effect from May 1, 1948, to June 30, 1949, and would not be subject to retirement deductions. Provides that this pay increase shall not operate to bring a salary above \$10,000. The Committee report includes the following: "For some time the committee has been impressed with the necessity for a complete revision and modernization of the Classification Act of 1923, and has

FEDERAL REINCORPORATION OF COMMODITY CREDIT CORPORATION

APRIL 22, 1948.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. WOLCOTT, from the Committee on Banking and Currency, submitted the following

REPORT

[To accompany H. R. 6263]

The Committee on Banking and Currency, to whom was referred the bill (H. R. 6263) to provide a Federal charter for the Commodity Credit Corporation, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

1. In section 2 strike out "the" where it appears therein before the words "Commodity Credit Corporation".

2. In the fourth sentence of section 4 (c) strike out "two" where it appears therein and insert in lieu thereof "four".

3. In the first sentence of section 4 (e) strike out ", including, but not limited to," and insert in lieu thereof "with respect to"; and strike out all the remainder of such sentence following the word "debtors".

4. In the first sentence of section 4 (g) strike out the words "it deems" where such appear therein and insert in lieu thereof "are"; and after the word "necessary" where it appears in such sentence strike out "or desirable".

5. Strike out all of section 4 (h) and insert in lieu thereof the following:

(h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. Except as provided in section 16, the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business.

6. In section 4 (1) strike out the words "it deems" where such appear therein and insert in lieu thereof "are"; and strike out "or desirable" where such appears therein.

7. Insert the following paragraph at the end of section 5:

In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

8. In the first proviso of the eighth sentence of section 9 insert after "\$" the figure "10,000".

9. In section 201 strike out "December 31, 1952" where such appears therein and insert in lieu thereof "December 31, 1950".

10. In section 202 insert a period after the section number; and strike out "4 (b)" where it appears in such section and insert in lieu thereof "4 (a)"; and insert "(a)" immediately following "713a-8" where such appears in such section; and strike out "December 31, 1952" where such appears at the end of such section and insert in lieu thereof "December 31, 1950".

GENERAL STATEMENT

REINCORPORATION

Under the Government Corporation Control Act (Public Law 248, 79th Cong.) no wholly owned Government corporation, created under the laws of any State, shall continue after June 30, 1948, as an agency or instrumentality of the United States. That act further provides that prior to June 30, 1948, any such State-chartered wholly owned corporation may be reincorporated by act of the Congress. One of the purposes of this bill is to provide a Federal charter for the Commodity Credit Corporation (at present a Delaware corporation) in order that it may continue, as it has in the past, operations seeking to stabilize and protect farm income and prices, to maintain balanced and adequate supplies of foods, feeds, and fibers, and to facilitate orderly distribution of these products.

CREATION AND PURPOSES

The Commodity Credit Corporation was created under the laws of the State of Delaware on October 17, 1933. Successive legislation has continued the Corporation as an agency of the United States until June 30, 1948. Under the President's Reorganization Plan No. 1 (5 U. S. C., 1940 ed., 133t, note) and the President's Reorganization Plan No. 3 of 1946, the Corporation was made a part of the United States Department of Agriculture and the Secretary of Agriculture was given the responsibility of general direction, supervision, and administration of its operations.

The charter of the Corporation authorizes it to engage in buying, selling, lending, and other activities with respect to agricultural commodities, products thereof, and related facilities. These broad charter powers have enabled the Corporation to engage in extensive operations for the purposes of stabilizing, supporting, and protecting farm income and prices, and assisting in the maintenance of balanced and adequate supplies, and facilitating the orderly distribution of agricultural commodities, products thereof, foods, feeds, and fibers.

FINANCING

The Corporation has three principal sources of funds for carrying out its operations, namely capital stock, including a provision for restoration of impairment of capital stock, borrowing power, and a reserve for postwar price support of agriculture.

The Corporation was originally capitalized for \$3,000,000, subscribed by the Secretary of Agriculture and the Governor of the Farm Credit Administration. In 1936 the Corporation's capitalization was increased to \$100,000,000 the additional \$97,000,000 of the Corporation's stock being acquired by the Reconstruction Finance Corporation. Ownership was transferred to the United States by the act of March 8, 1938.

Under the act of March 8, 1938, as amended, provision was made for an annual appraisal of the Corporation's assets by the Secretary of the Treasury. The Secretary of the Treasury is directed to restore the amount of any capital impairment disclosed by the appraisal from appropriations made for that purpose and the Corporation is directed to pay into the Treasury the amount of any net worth in excess of \$100,000,000. In 1940 and in 1942 the Corporation made payments to the United States Treasury of amounts of net worth in excess of \$100,000,000. In 1938, 1939, 1941, and 1944 appropriations were made to restore the amount of capital impairment. In 1945 and 1946 restoration of capital impairment was made by authorizations for cancellation of notes of the Corporation held by the Treasury. The net effect of these transactions was that the Corporation in the period 1938-46 was given net restoration of capital in the amount of \$1,964,004,046. As later noted, however, in the years 1942-47 subsidy payments were made by the Corporation in the amount of \$2,108,217,429.

The Act of March 8, 1938, authorized the Corporation, with the approval of the Secretary of the Treasury, to issue and have outstanding bonds, notes, debentures, and similar obligations in an aggregate amount not to exceed \$500,000,000 fully guaranteed as to principal and interest by the United States. Amendments to such act have increased the borrowing power of the Corporation to its present total of \$4,750,000,000. As of February 29, 1948, the Corporation showed borrowings of \$399,000,000 from the United States Treasury and additional borrowings of \$45,171,662 from lending agencies. Of the borrowings from the United States Treasury, \$18,000,000 was represented by day-to-day notes, bearing 1 percent interest, and \$381,000,000 was represented by interest-free notes reflecting the uncanceled note balance of the reserve for postwar price support of agriculture. The borrowings from other lending agencies largely represent money borrowed from commercial banks acting as agents and custodians for the Corporation in various commodity-purchase programs. These borrowings represent demand obligations guaranteed by the United States, and may be repaid by the Corporation at any time. In addition to the amounts borrowed, the Corporation had outstanding commitments of \$1,215,524,283, and it would have required additional borrowings to liquidate liabilities of the Corporation in the amount of \$153,305,876. The Corporation, therefore, had as of such date net available statutory borrowing authority in the amount of \$2,936,998,178.

The reserve for postwar price support of agriculture was created by the First Supplemental Appropriation Rescission Act of 1946. This provided that—

the \$500,000,000 made available by title II of the Second Deficiency Appropriation Act, 1945, as a reserve for expenditure for postwar price support of agriculture, shall be paid to the Commodity Credit Corporation and continued as a reserve fund for expenditure, if and when necessary, for the postwar price support of agriculture.

In accordance with this act the \$500,000,000 was paid to the Commodity Credit Corporation on March 20, 1946. With the issuance of the President's proclamation declaring the cessation of hostilities on December 31, 1946, the postwar period for the purposes of this reserve began on January 1, 1947. The Corporation consequently has charged all price-support losses recorded on or after January 1, 1947, against this reserve. As of February 29, 1948, the charges made to this reserve for the postwar price support of agriculture amounted to \$131,494,253, leaving \$368,505,747 in this reserve account.

MANAGEMENT

At the present time the Secretary of Agriculture, who represents the United States as the sole owner of the capital stock of the Corporation, prescribes the bylaws of the Corporation, and elects the members of the Board of Directors and other officials of the Corporation. The members of the Board of Directors, other than the Secretary of Agriculture who is the Chairman, are the Under Secretary of Agriculture, the Assistant Secretary of Agriculture and six policy-making officials of the Production and Marketing Administration of the Department of Agriculture.

The present bill would vest the management of the Corporation in a Board of Directors consisting of five members, not more than two of whom could be employees of the Corporation or any department or agency of the Federal Government. The Secretary of Agriculture, or his nominee, would be a member of the Board and the remaining members would be appointed by the President by and with the advice and consent of the Senate. The Chairman of the Board would be selected by the Board. The appointed directors would serve for a period of 5 years, except the terms of the first Board would be shortened to provide for replacement or reappointment of its members in number as nearly equal as practical in each year. In effect this would provide for replacement or reappointment of a Board member each year. In recognition of the fact that responsibility for the operations of the Corporation rests in the executive department, the committee has provided in the bill that power of removal of directors shall be vested in the President of the United States. This change in method of appointment of the members of the Board takes recognition of the "big business" operations of the Corporation and the widespread effects that these operations can have on our total economy. As of June 30, 1947, Commodity Credit Corporation had assets of slightly over \$1,500,000,000, including among others \$532,000,000 of cash, \$369,000,000 of commodities owned, \$293,000,000 of notes and accounts receivable, and \$109,000,000 of loans outstanding. During the fiscal year ended June 30, 1947, it conducted purchase and sale operations showing a total sales volume of \$2,300,000,000. The Corporation has borrowing authority of \$4,750,000,000.

ACTIVITIES

The activities of the Corporation may be grouped into the following major types of programs: a price-support program, a supply program, a foreign-purchase program, a commodity-export program, a loan program for agricultural conservation purposes, and a subsidy program which, although active during the war, is now only being conducted on a liquidation basis.

PRICE-SUPPORT PROGRAM

Under its price-support program the Commodity Credit Corporation, through loans, purchases, and other operations, supports the prices of various agricultural commodities. The purpose of the program is to place a floor under the price of agricultural commodities by assuring farmers a minimum price. This program has been a vital factor in obtaining the expanded production of agricultural commodities needed to meet the requirements of the war emergency. By stabilizing prices during the postwar period the program will aid farmers in reconverting from a war- to a peace-time production. The Corporation carries out its price-support program by authority of its charter powers to buy, sell, lend, and engage in other activities with respect to agricultural commodities and their products.

The price-support program may be generally divided into three categories:

(1) Mandatory loans made available upon the basic commodities—corn, cotton, peanuts, rice, tobacco, and wheat—in accordance with section 8 of the Stabilization Act of 1942, as amended (50 U. S. C. App. 968), and the act of July 28, 1945 (7 U. S. C. 1312, note). The rate of the loan is required to be 90 percent of parity in the case of basic commodities other than cotton and 92½ percent of parity in the case of cotton. The present bill would continue existing mandatory loan rates on basic commodities through December 31, 1950.

(2) Mandatory price support through loans, purchases, or other operations pursuant to section 4 (a) of the act of July 1, 1941, as amended, the so-called Steagall amendment (15 U. S. C. 713a-8 (a)), with respect to the following "Steagall commodities": Hogs, eggs, chickens, and turkeys, milk and butterfat, dry peas of certain varieties, dry edible beans of certain varieties, soybeans for oil, peanuts for oil, flaxseed for oil, American-Egyptian cotton, potatoes, and sweet-potatoes. Under the bill, price support for the Steagall commodities will be continued through December 31, 1950, at not less than 90 percent of parity or comparable price for producers of the nonbasic agricultural commodities for which the Secretary of Agriculture, by formal public announcement, requested an expanded production to meet the needs of the war emergency. Under existing law the present mandatory price support on the Steagall commodities would expire on December 31, 1948.

(3) Price-support operations with respect to agricultural commodities other than those required to be carried out by section 8 of the Stabilization Act of 1942, as amended, the act of July 28, 1945, and section 4 (a) of the act of July 1, 1941, as amended, such as operations with respect to wool,¹ naval stores, sugar beets, sugarcane, and a

¹ The Wool Price Support Act of 1948 (61 Stat. 769), requires the Corporation to continue supporting the price of wool at 1946 support levels until December 31, 1948.

number of other agricultural commodities. Section 4 (b) of the act of July 1, 1941 (15 U. S. C., 1940 ed., Supp. V, 713a-8 (b)), declares it to be the policy of Congress that the lending and purchase operations of the Department shall be carried out so as to bring the price and income of the producers of commodities other than the basic and Steagall commodities to a fair parity relationship with the basic commodities and the Steagall commodities to the extent that funds for such operations are available, after taking into account the operations with respect to basic commodities and Steagall commodities and the ability of producers to bring supplies into line with demand.

In carrying out its price-support program the Corporation utilizes normal trade facilities to the fullest practicable extent, and to this end private organizations are utilized by the Corporation when it is (a) clearly advantageous to the Corporation, (b) required by law, or (c) in accord with legislative policy. Thus, where loans are made to farmers the Corporation makes use of local banks, cooperatives, and other private lending agencies by entering into contracts with such lending agencies under which the Corporation agrees to take over loans made in accordance with the Corporation's program. In addition, the Corporation enters into contracts with processors and dealers under which they buy through normal trade channels agricultural commodities at support prices for the account of the Corporation or for their own account. In the latter event the Corporation generally agrees (subject to conditions established by the Corporation) to take over their inventories of such agricultural commodities or products processed therefrom or otherwise assure them of no loss because of the purchase of commodities at the support prices.

Price-support loans made during the year ending June 30, 1947, totaled \$277,790,232. As of June 30, 1947, there remained outstanding price-support loans in the amount of \$121,395,358, against which a reserve for losses had been created in an amount of \$11,736,000, leaving a net total of price-support loans outstanding of \$109,659,315.

The loans made by the Corporation for price-support purposes are nonrecourse loans to farmers or to cooperative marketing associations and are secured by the pledge of agricultural commodities. Some loans are made direct by the Corporation, but most loans are closed through lending agencies, generally commercial banks in farm areas. The loans bear interest at 3 percent. In the interest-income account, the Corporation reflects interest collections at the rate of 3 percent for the period it has held a loan and at 1½ percent for the period the loan was held by the lending agencies. The Corporation stands ready to purchase at any time any of its loans held by private lending agencies if the loan papers are in proper order. Loans are reflected in the accounts of the Corporation at the unpaid balance.

In connection with the purchase operations of the price-support program, sales during fiscal 1947 were made of the commodities in the amount of \$507,606,215, of which total \$278,416,968 were basic commodities, \$73,581,034 were Steagall commodities, and \$155,609,112 were made up of all other commodities. Such sales of basic commodities accounted for a profit of \$48,744,252, most of which was in cotton. Sales under the price-support program of Steagall commodities resulted in a loss of \$56,898,433, which net loss figure included a loss of \$60,091,288 on white potatoes alone. Sales of all other commodities under the price-support program resulted in a net loss of \$34,634,015, including a loss on wool sales in the amount of

\$33,484,668. For all three classes of commodities, sales under the price-support program resulted in a net loss of \$42,784,595.

SUPPLY PROGRAM

Under its supply program the Corporation procures foods, agricultural commodities and products thereof, and related materials for the purpose of supplying the requirements of United States Government agencies, foreign governments, American Red Cross, United Nations Relief and Rehabilitation Administration, and other similar organizations. The Corporation's procurement operations are conducted in accordance with procedures and policies that are calculated to assure the Corporation against loss. In this connection the Congress by section 4 of the act of July 16, 1943 (15 U. S. C. 713a-9), specifically required that the Corporation be fully reimbursed for services performed, losses sustained, operating costs incurred, or commodities purchased or delivered to or on behalf of any other Government agency. The Corporation also procures or aids in the procurement of supplies and facilities needed by farmers in connection with the production, handling, and marketing of agricultural commodities and their products, such as feed, seeds, grain bins, cotton bagging, fertilizers, and insecticides. It also procures or aids in the procurement of foods and agricultural commodities and products thereof in order to facilitate distribution or to meet anticipated requirements during periods of short supply. The Corporation's supply program is carried out under its charter authority to purchase, sell, or otherwise deal in agricultural commodities and products thereof and related materials and to engage in activities in connection with production, handling, and marketing thereof.

Under the supply program the Corporation adds to the cost of purchases 1 percent to cover administrative expenses and an additional 1 percent to cover contingencies. Sales made in the fiscal year ended June 30, 1947, amounted to \$1,351,728,556. The cost of these sales was \$1,316,303,960. After certain minor charge-offs and other adjustments, the net profit resulting from the program was \$33,-585,714.

FOREIGN PURCHASE PROGRAM

Under its foreign-purchase program the Corporation purchases abroad such foods, agricultural commodities and products thereof, and related facilities as are needed to meet emergent requirements. Those purchases have consisted largely of commodities in short supply, notably fats and oils, sugar, long-staple cotton, protein meals, tea, and rice. Most of the purchases implement the allocations of agricultural commodities in short world supply made by the International Emergency Food Council. This program is carried out pursuant to the Corporation's charter authority to purchase and sell commodities both in the United States and foreign countries.

Under the foreign-purchase program during fiscal 1947 sales were made in the amount of \$443,942,278. Cost of these sales was \$416,550,767. Sugar was the principal item involved in these transactions and accounted for approximately three-fourths of the total. The foreign-purchase program, after bookkeeping adjustments, the major one of which represented the cost of an indirect subsidy on sugar purchases, resulted in a net profit of \$20,871,948 to the Corporation.

COMMODITY-EXPORT PROGRAM

Under its commodity-export program the Corporation exports or causes to be exported agricultural commodities and products. The purpose of the program is to obtain foreign markets for agricultural commodities and products thereof produced in the United States and to aid in the disposal of surplus agricultural commodities.

Disposals of agricultural commodities and products thereof for export may be made at competitive world prices which are below domestic market prices pursuant to section 21c of the Surplus Property Act of 1944 (50 U. S. C. App., 1630). That section authorizes the Corporation to dispose of, or cause to be disposed of, for cash or its equivalent in goods or for adequately secured credit, for export only, and at competitive world prices, any farm commodity or product thereof without regard to restrictions with respect to the disposal of commodities imposed upon the Corporation by any other law. No food or food product, however, may be disposed of if such food or food product is in short domestic supply or its disposition would create such a short supply. Disposals under this authority result in a loss to the Corporation.

Prior to the enactment of section 21c, the Corporation's ability to engage in export operations was substantially limited by the statutory prohibition against sales of farm commodities below the parity or comparable price. A cotton project under which short-staple and lower-grade cotton is made available for export at competitive world prices was begun in fiscal year 1945. Such cotton and a nominal amount of wheat were the only two commodities involved in this program in the year ended June 30, 1947. Losses to the Corporation on this operation amounted to \$19,226,533.

SUBSIDY PROGRAM

During the war years a subsidy program was a major activity of the Corporation. Under the program the Corporation made payments or purchases for resale at a loss for the purpose of maintaining price ceilings established by the Office of Price Administration. In the fiscal years June 30, 1942 to 1947, inclusive, the Corporation suffered losses of \$2,108,217,429 on 32 subsidy programs. The cost of the subsidy programs, as previously noted, was responsible for the substantial payments that have been authorized to restore impairment of the net worth of the Corporation. The subsidy operations of the Corporation have been terminated, and the only remaining activities under the subsidy program are those of liquidating programs heretofore in effect.

LOANS TO THE SECRETARY OF AGRICULTURE FOR AGRICULTURAL
CONSERVATION PURPOSES

Section 391c of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C., 1391), requires the Corporation to loan to the Secretary of Agriculture during each fiscal year such sums, not to exceed \$50,000,000, as the Secretary estimates will be required during such fiscal year to make Federal crop insurance premium advances, to make advances pursuant to the applicable provisions of sections 8 and 12 of the Soil Conservation and Domestic Allotment Act, as amended,

in connection with programs applicable to the crops harvested in the calendar year in which such fiscal year ends, and to pay the administrative expenses of county agricultural conservation associations for the calendar year in which such fiscal year ends. The sum so loaned during any fiscal year is required to be transferred to the annual appropriation available for carrying out sections 7 to 17 of such act. Repayment of any such loan is directed to be made during the succeeding fiscal year from funds appropriated to carry out sections 7 to 17 of such act, with interest at a rate determined by the Secretary, but not less than the cost of money to the Corporation.

OPERATING RESULTS

From October 17, 1933, through December 31, 1947, Commodity Credit Corporation showed the following results from its over-all operations:

Net losses on all operations-----	¹ \$2, 029, 314, 530
Total subsidy payments-----	¹ 2, 105, 404, 380
Gain from operations other than subsidy program-----	² 76, 089, 850
This gain represents:	
(1) Gain on all programs other than subsidy-----	281, 721, 846
(2) Less excess of overhead expenses over income ³ -----	¹ 83, 409, 296
Net gain before establishing reserve for losses-----	198, 312, 550
(3) Less establishment of reserves for estimated losses as of December 31, 1947-----	122, 222, 700
Net gain, excluding subsidy program costs-----	² 76, 089, 850

¹ Indicates loss.

² Before charges of \$118,259.236.02 to the reserve for postwar price support of agriculture and the transfer of \$25,000,000 to the Bureau of Animal Industry for the eradication of foot-and-mouth and other contagious diseases of animals.

³ Includes all interest costs and overhead expenses of wartime subsidy programs.

EXPLANATION OF THE BILL, AS AMENDED, BY TITLES AND SECTIONS

TITLE I—COMMODITY CREDIT CORPORATION CHARTER

Title I of the bill provides for a Federal charter for the Commodity Credit Corporation.

Section 1 provides that this title may be cited as the Commodity Credit Corporation Charter Act.

Section 2 creates the Corporation as an agency and instrumentality of the United States within the Department of Agriculture under the general direction and control of its Board of Directors. The purposes for which the Corporation is organized are stated to be the stabilization, support, and protection of farm income and prices; the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers; and the facilitation of the orderly distribution of agricultural commodities, products thereof, foods, feeds, and fibers. These purposes are substantially the same as those which the Delaware corporation has served during the past.

Section 3 permits the Corporation to establish offices in any place or places it deems necessary or desirable in the conduct of its business. The principal office of the Corporation is presently located in the District of Columbia. Inasmuch as the operations of the Corporation,

particularly those pertaining to price support, must be conducted throughout the United States, the authority to establish offices in the field is essential to the effective conduct of the Corporation's business.

Section 4 grants to the Corporation certain general powers, both procedural and substantive, necessary or appropriate to the corporate form of organization and to the carrying out of the specific powers granted the Corporation by section 5.

Subsections (a) and (b) provide, respectively, for corporate succession and use of a corporate seal.

Subsection (c) provides for suability and imposes certain limitations and restrictions upon the general right to sue and be sued. It is provided that no attachment, injunction, garnishment, or similar process may be issued, either prior to or after final judgment, against the Corporation or its property. The provision is like that contained in the act creating the Federal Crop Insurance Corporation (7 U. S. C., 1940 ed., 1506). The availability of any of these judicial processes would not afford to creditors or other persons suing the Corporation any benefit which would outweigh the possible detriment to the Government through hindrance or obstruction of the Corporation's operations, if it were made amenable to such processes. The designation of the United States district courts to have exclusive original jurisdiction of all suits in which the Corporation is involved, rather than permitting the use of State forums, is desirable because the Corporation is a Federal agency, and, generally speaking, the questions litigated will be questions of Federal law. In view of the liberal venue provisions of this subsection, no hardship will be caused any plaintiff by limiting original jurisdiction to the Federal district courts. The right of the Corporation to intervene in suits, actions, or proceedings in any other court is preserved, however, in order that it might adequately protect its interests in other suits, actions, or proceedings, such as probate proceedings in county courts, foreclosure proceedings against property on which the Corporation may have a lien, and other similar proceedings. The venue of suits against the Corporation is established in the District of Columbia, or in the district in which the plaintiff resides or is engaged in business. The 4-year limitation upon the right to bring suit against the Corporation represents a length of time believed fair to both the plaintiff and the Corporation. In this connection, it is to be noted that the Federal Tort Claims Act recently passed by the Congress (60 Stat. 842) contains a 1-year statute of limitations. It is felt with respect to the Corporation that allowance of a greater length of time than 4 years is not required when a bona fide claim exists, and would present unnecessary difficulties in the way of obtaining witnesses and records on behalf of the Corporation. The provision requiring all suits against the Corporation to be tried by the court without a jury is similar to the procedure followed in the Court of Claims and in the Federal district courts in claims against the United States authorized by the Tucker Act and the Federal Tort Claims Act, which are the statutes giving general jurisdiction to the Federal courts in claims against the United States. Since the Federal Tort Claims Act is designed for uniform application to all Government agencies, including corporations, the applicability of the act to the Corporation is preserved. Consequently, there would be a 1-year statute of limitations applicable to claims cognizable under that act.

Subsection (d) grants to the Corporation the power to adopt, amend, and repeal bylaws, and other rules and regulations, governing the manner in which its business may be conducted and the powers vested in it may be exercised.

Subsection (e) provides that the Corporation shall have certain rights, privileges, and immunities of the United States and may assert them in any suit, action, or proceeding.

Subsection (f) is the customary provision granting corporate agencies of the United States the right to use the mails upon the same conditions as those governing their use by the executive departments.

"The first sentence of subsection (g) grants to the Corporation the essential power to enter into and carry out such contracts or agreements as are necessary in the conduct of its business. Subsection (g) further provides that State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements. This provision will facilitate the use by the Corporation, in the carrying out of its Nation-wide programs, of standardized procedures and agreements, such as the use of storage agreements in which a uniform rate is specified, without regard to the varying rates prescribed by statute in numerous States. This provision will also enable the Corporation to give assurance to its contractors that in performing their contracts with the Corporation they will not be held in violation of such State and local regulatory laws.

Subsection (h) gives the Corporation the power to contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. This subsection also provides that the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business. Further provision is made in this subsection permitting the Corporation to retain any interest in real property which may be transferred to it under the provision of section 16 of this title, which section pertains to the transfer of the assets and property of the existing Delaware Corporation to the Federal Corporation.

Subsection (i) generally grants the power to borrow money subject to any provision of law applicable to the Corporation. Thus, the borrowing operations of the Corporation would be governed by section 4 of the act of March 8, 1938, as amended (15 U. S. C., 1940 ed., Supp. V 713a-4), which defines the amount, the manner, and the terms and conditions of the Corporation's borrowing.

Subsection (j) grants the Corporation the authority, essential to the effective conduct of its business as a corporate entity, to determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid. This is a common provision of Federal corporate charters. The Corporation, of course, will be subject to a commercial type of audit by the General Accounting Office under the provisions of the Government Corporation Control Act (31 U. S. C., 1940 ed., Supp. V, 850).

Subsection (k) explicitly vests in the Corporation the authority, implicit in subsection (j), to make final and conclusive settlement and adjustment of claims by or against the Corporation or the accounts of its fiscal officers. The power has been exercised by the Commodity Credit Corporation since its creation, and the power and its exercise were recognized by the Congress in the act of February 28, 1944 (15 U. S. C., 1940 ed., Supp. V, 713), in which it was provided that the Corporation should "continue" to have authority to make adjustment and settlement of its claims or the accounts of its fiscal officers. It was stated by the Congress in connection with the provisions of that act, that "the Commodity Credit Corporation's fiscal responsibility is vested in the Corporation alone and not in the individual fiscal agents. In other words, the fiscal agents are responsible to the Corporation, which in turn is liable to the Federal Government for the Government's investment in the Corporation. The examination of the individual accounts of particular fiscal agents with a view to external control and settlement would not facilitate a determination of the financial standing or progress of the Corporation as a whole. Such an examination would, as a matter of fact, seriously interfere with the Corporation's internal financial management and impair the flexibility which is the very basis of the Corporation's existence" (S. Rept. 631, 78th Cong.; H. Rept. 846, 78th Cong.). A corporation such as the Commodity Credit Corporation, engaged in a multitude of commercial transactions, must be able expeditiously to adjust, compromise, and settle its claims in order efficiently to conduct its business.

Subsection (l) gives the Corporation authority to make such loans and advances of its funds as are necessary in the conduct of its business.

Subsection (m) provides that the Corporation shall have such powers as be necessary or appropriate for the exercise of the powers specifically vested in the Corporation and all such incidental powers as are customary in corporations generally; but any reserve financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

Subsection (n) is the customary expression of the authority impliedly vested in corporations generally to exercise such powers as may be necessary or appropriate to the enjoyment of the powers expressly vested in the corporation and fairly incident to carrying them out, or which may be incident to the existence of the corporation as a legal entity.

Section 5 sets forth the specific powers which the Corporation may exercise, and provides that such powers may be used only in fulfilling its purposes and in carrying out the annual budget programs submitted by the Corporation to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 ed., Supp. V, 847). The powers specified are based upon a consideration of the past operations of the Commodity Credit Corporation, the operations of the Corporation provided for in the 1948 budget program approved by the Congress and the 1949 budget program submitted to the Congress, and the operations which the Corporation might be called upon to carry out during the postwar period and in

periods of emergency. Although the powers will be broad, their exercise is limited by the requirement that they be carried out in accordance with annual budget programs, which require detailed justification, and review by and approval of the Congress each year. In addition, section 6 of this bill would continue in effect all statutory limitations now applicable to the operations of the Delaware corporation. It is believed that there should be available to American agriculture an agency with the flexible authority vested in the Corporation by this section 5.

Subsection (a) authorizes the Corporation to support the prices of agricultural commodities through loans, purchases, payments, and other operations. This subsection preserves the existing methods of carrying out such programs, and does not broaden the method of carrying out such programs. The Commodity Credit Corporation's principal function has been to stabilize, support, and protect farm income and prices through its price-support operations. This subsection does not supersede present legislation directing or authorizing price support, such legislation being expressly preserved by section 6 of this bill.

Subsection (b) authorizes the Corporation to make available materials and facilities required in connection with the production and marketing of agricultural commodities. This authority will enable the Corporation to carry out such operations as procuring or aiding in the procurement of feeds, seeds, grain bins, and other storage facilities, bagging, fertilizers, and insecticides. Operations of this character have been carried out in the past under the Corporation's general charter authority.

Subsection (c) authorizes the Corporation to procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements. Such operations of the Commodity Credit Corporation in the past include the procurement of agricultural commodities for the Army, the Navy, and the State Department, for cash-paying foreign governments, for the American Red Cross, Lend-Lease, and the United Nations Relief and Rehabilitation Administration. This authority will, when it is essential that Government procurement be undertaken in order to obtain adequate supplies, enable such procurement to be centralized in one Government agency, thereby not only making possible increased efficiency, but also enabling procurement operations to be carried out for the maximum benefit of American agriculture by coordinating procurement operations with price-support operations.

Subsection (d) authorizes the Corporation to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities. In view of the possibility that American agriculture may be faced with surplus production during the postwar period, it is essential that the Corporation be empowered to deal effectively with such surpluses should they develop.

Subsection (e) grants authority to the Corporation to increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities. Any program designed to protect agricultural prices and income and to avoid the production of un-

manageable surpluses must necessarily include operations designed to expand existing markets and uses, to create new and additional markets and uses, and to promote orderly marketing by developing adequate marketing facilities.

Subsection (f) authorizes the Corporation to export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities. It is essential to the agricultural economy of the United States that it maintain and expand its markets abroad for agricultural commodities. This subsection empowers the Corporation to carry out operations to this end.

Subsection (g) authorizes the Corporation to carry out such other operations as the Congress may specifically authorize or provide for.

The last paragraph of section 5 provides that in the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall utilize the usual and customary channels, facilities, and arrangements of private trade and commerce.

Section 6 provides that the Federal statutes now applicable to the Delaware corporation shall be applicable to the Federal Corporation, except that the Delaware corporation shall cease to be an agency of the United States as provided in section 7 (a) of the act of January 31, 1935, as amended (15 U. S. C., 1940 ed., Supp. V, 713 (a)). The principal statutes thus made applicable are those (1) requiring an appraisal of the assets and liabilities of Commodity Credit Corporation as of June 30 of each year by the Secretary of the Treasury, authorizing an appropriation for the restoration of any impairment in the capital of the Corporation and requiring the payment to the United States Treasury of any amount by which its net worth exceeds its capitalization (15 U. S. C., 1940 ed., Supp. V, 713a-1, 713a-2); (2) authorizing the Corporation to borrow not to exceed \$4,750,000,000, with the approval of the Secretary of the Treasury, upon the guaranty of the Treasury (15 U. S. C., 1940 ed., Supp. V, 713a-4); (3) exempting from taxation the obligations of the Corporation and its franchise, capital, reserves, surplus, income, and personal property (15 U. S. C., 1940 ed., 713a-5); (4) authorizing the Federal Reserve banks to act as fiscal agents and custodians for the Corporation (12 U. S. C., 1940 ed., Supp. V, 395); (5) requiring a commercial audit by the General Accounting Office of the accounts of the Corporation (15 U. S. C., 1940 ed., Supp. V, 713; 31 U. S. C., 1940 ed., Supp. V, 850); (6) requiring the submission to the Congress of annual budget programs (31 U. S. C., 1940 ed., Supp. V, 847); (7) authorizing the Commodity Credit Corporation to make available nonrecourse loans on agricultural commodities (including dairy products) (7 U. S. C., 1940 ed., 1302; 7 U. S. C., 1940 ed., Supp. V, 1359); (8) directing loans upon 1948 crops of the basic commodities at 90 percent of parity (92½ percent in the case of cotton) (50 U. S. C. App., 1940 Ed., Supp. V, 968); (9) requiring the Corporation to provide price support through loans, purchases, or other operations for producers of certain nonbasic (Steagall) commodities at not less than 90 percent of the parity or comparable price (15 U. S. C., 1940 ed., Supp. V, 713a-8 (a)); (10) declaring it to be the policy of Congress to support prices of nonbasic non-Steagall commodities (15 U. S. C., 1940 ed., Supp. V, 713a-8 (b)); (11) authorizing and directing the Corporation to make

loans to the Secretary of Agriculture to enable him to make advances pursuant to the Soil Conservation and Domestic Allotment Act (7 U. S. C., 1940 ed., 1391); (12) restricting the sale of farm commodities by the Corporation at less than parity or comparable price, with certain exceptions (7 U. S. C., 1940 ed., Supp. V, 1381n); (13) limiting the disposition of cotton by the Corporation (7 U. S. C., 1940 ed., 1381 (c)); (14) permitting the Corporation to dispose of or cause to be disposed of any farm commodity or product thereof, for export only, at competitive world prices (50 U. S. C. App., 1940 ed., Supp. V, 1630); (15) requiring reimbursement for services performed, losses sustained, and costs incurred on behalf of another Government agency (15 U. S. C., 1940 ed. Supp. V, 713a-9); (16) directing the payment to the Corporation of \$500,000,000 as a reserve fund for expenditure, as and when necessary, for the postwar price support of agriculture (59 Stat. 429; 60 Stat. 6); (17) directing the Corporation to continue support price of wool at 1946 support levels until December 31, 1948 (61 Stat. 769); (18) providing for the utilization of price-support commodities in furnishing assistance and relief to foreign countries under the Foreign Aid Act of 1947 and other acts (Public Law 389, 80th Cong.); and (19) authorizing the Corporation to carry out projects to stimulate and increase production of foods, agricultural commodities, and products thereof in non-European foreign countries (Public Law 395, 80th Cong.).

Section 7 provides for the capitalization of the Corporation at \$100,000,000, which is the present amount of the capital stock of Commodity Credit Corporation. The stock is to be subscribed by the United States, and is to be deemed fully paid for by the transfer of the assets of the Delaware corporation to the Federal Corporation. Section 7 also provides that the Corporation shall pay interest to the United States Treasury on the amount of its capital stock and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the act of March 8, 1938, as amended, at such rates as may be determined by the Secretary of the Treasury to be appropriated in view of the terms for which such amounts are made available to the Corporation.

Section 8 provides generally for the use by the Corporation in the conduct of its business of all its assets, including capital, net earnings, property, funds, etc., acquired by the Corporation. Specific statutory authorizations or limitations applicable to the Corporation's use of funds or other assets will, of course, govern. The provision is similar to that presently in effect with respect to the Delaware corporation.

Section 9 provides for the management of the Corporation by a Board of Directors consisting of five members, one of whom shall be the Secretary of Agriculture, or his nominee, and the remaining members to be appointed by the President by and with the advice and consent of the Senate. The President of the United States may remove the members of the Board. This section also provides that the Board will select its Chairman, that the majority of the directors will constitute a quorum, that the directors shall serve for a period of 5 years except that the terms of the first Board shall be shortened to provide for replacement or reappointment of the members as nearly equal as practical in each year. This section further provides that members of the Corporation or any department or agency of the Federal Government, if also directors, shall not comprise in the aggre-

gate more than one-half the members of the Board and in the case of such employees, who are also directors, provision is made that they shall not receive additional compensation for their services on the Board. Compensation paid any director by the Corporation may not exceed in the aggregate \$10,000 per annum.

Section 10 provides for an executive staff appointed by the Board and responsible to the Board for the day-to-day conduct of the business of the Corporation. The members of the executive staff shall devote their full time to the affairs of the Corporation. This section also provides that the Board shall define the authority and duties of the members of the executive staff, delegate to them such of the powers vested in the Corporation as it may determine, require that such of them as it may designate be bonded and fix the penalties therefor. With the exception of experts, appointments of the Corporation's personnel shall be pursuant to the civil-service laws and the Classification Act of 1923, as amended.

The provisions of section 11, permitting the utilization by the Corporation of the personnel, services, facilities, and information of any other agency of the Federal Government, are similar to the provisions found in the charters of many other Federal corporations; for example, the Federal Crop Insurance Corporation (7 U. S. C., 1940 ed., 1506), the Reconstruction Finance Corporation (15 U. S. C., 1940 ed., 604), the Tennessee Valley Authority (16 U. S. C., 1940 ed., 831d), and the Federal Deposit Insurance Corporation (12 U. S. C., 1940 ed., 264 (k)). Such utilization may be on a compensated or uncompensated basis, and administrative as well as capital funds, depending upon the nature of the services performed, may be used in making compensation. In addition, it is provided that the personnel and facilities of the Corporation may be utilized on a reimbursable basis by any other agency of the Federal Government. These provisions are deemed desirable in order to best serve the interests of the Government as a whole, by permitting the utilization of personnel and facilities of any Government agencies that are equipped to render any particular service.

Section 12 permits the Corporation to utilize, on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities. Most of the Corporation's price-support operations are carried out in the field through the agricultural conservation committees and associations. The Corporation also utilizes to the fullest practicable extent the facilities of producer-controlled cooperative associations and trade facilities, such as local banks, warehouses, commodity handlers, and processors. For example, commodity loans are generally made in the first instance by local banks with which the Corporation has contracts obligating it to take over the loans upon request. It has also carried out many of its price-support operations by contracts with processors and handlers under which they agree to purchase commodities at support prices in return for the Corporation's undertaking to protect them against loss because of such purchases.

Section 13 requires that the Corporation keep complete and accurate accounts, and file an annual report with the Secretary of Agriculture. A copy of the annual report is to be forwarded by the Secretary to the President for transmission to the Congress in order that it may have a complete record of the activities and financial condition of the Corporation.

By section 14 the statute (41 U. S. C., 1940 ed., 22) requiring the insertion in contracts or agreements of an express condition that no Member of or Delegate to Congress shall be admitted to any share or part of such contracts or agreements is made applicable to the contracts or agreements of the Corporation. An exemption is provided, however, for contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation. This provision is consistent with the exemption in the Member-Delegate statute of contracts or agreements entered into under the Agricultural Adjustment Act, the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Farm Credit Act of 1933, and of contracts or agreements of a kind which the Secretary of Agriculture may enter into with farmers.

Section 15, relating to crimes and offenses, is similar to provisions in the charters of most Government corporations, with such changes as are necessary to adapt those provisions to the business and activities of Commodity Credit Corporation.

Subsection (a) refers to the making of false statements or the overvaluation of security for the purpose of influencing the action of the Corporation or for the purpose of obtaining some material benefit under any act applicable to the Corporation. Subsection (b) deals with embezzlement and similar offenses, false entries or issuance of obligations with intent to defraud, or participation in or receipt of, with intent to defraud, any benefit through any act of the Corporation, and extends not only to persons directly connected with the Corporation, but also to persons, such as lending agencies, associations, or warehouses, directly or indirectly involved in the Corporation's programs. Subsection (c) prescribes the punishment for the offenses of stealing, larceny, conversion, and related crimes. The section will be operative with respect to all property owned or held by, or mortgaged or pledged to, the Corporation, whether in the possession of the Corporation or not. Subsection (d) makes it a crime to conspire to accomplish any of the acts made unlawful by subsections (a), (b), or (c).

By subsection (e) all the general penal statutes relating to crimes and offenses against the United States, except to the extent that they relate to crimes and offenses punishable under subsection (a), (b), (c), or (d) of section 15, are made applicable with respect to the Corporation and its property, contracts, employees, and operations. Insofar as contracts of a kind which the Corporation may enter into with farmers participating in a program of the Corporation are concerned, exceptions are made of two criminal statutes, namely: That fining any Member of or Delegate to Congress or Resident Commissioner who receives any benefit from any contract or agreement entered into on behalf of the United States (18 U. S. C., 1940 ed., 204), and that fining officers of the United States who, on behalf of the United States, enter into any contract or agreement with any Member of or Delegate to Congress or Resident Commissioner (18 U. S. C., 1940 ed., 205). This is consonant with the provisions of section 14 of this bill, excluding such contracts from the application of the statute requiring insertion in contracts of a provision that no Member of or Delegate to Congress shall benefit therefrom.

Section 16 provides for the transfer of the assets, funds, property, and records of the Delaware corporation to the Federal Corporation created by this bill. It is specifically provided that the new corporation shall have the rights, privileges, and powers and shall assume the duties and liabilities of the Delaware corporation in respect to any contract, agreement, loan, account, or other obligation. This section further provides that the claims of or against the Delaware corporation may be enforced by or against the Federal Corporation. Thus, although the Delaware corporation will be preserved for the purposes of suing and being sued for 3 years after dissolution, under the Delaware corporation laws, claims by and against that corporation may be enforced by and against the Federal Corporation.

Section 17 authorizes and directs the Secretary of Agriculture, on behalf of the United States, to institute or cause to be instituted proceedings for the dissolution of the Delaware corporation. Costs of the dissolution will be borne by the Federal Corporation.

Section 18 provides that title I shall take effect as of midnight June 30, 1948.

TITLE II—AMENDMENTS TO EXISTING LAW

Title II of the bill provides for a continuance of the support price program on the six basic agricultural commodities and the so-called Steagall commodities until December 31, 1950. Under existing law these commodities would not be supported at the present parity floor beyond December 31, 1948.

Section 201 of the bill, as amended, provides for the continuance of the existing price-support program on the basic agricultural commodities; namely, cotton, corn, wheat, rice, tobacco, and peanuts for an additional 2-year period. Under the provisions of existing law the Corporation is required, with certain exceptions, to make loans to producers upon any crop of the basic commodities (unless a marketing quota for the crop has been disapproved by producers) harvested after December 31, 1941, and before the expiration of the 2-year period, beginning with the 1st day of January immediately following the day upon which the President, by proclamation, or the Congress, by concurrent resolution, declares that hostilities in the present war have terminated. The rate of the loan is required to be 90 percent of parity in the case of all of the basic commodities other than cotton and 92½ percent of parity in the case of cotton. As a result of the President's proclamation of the cessation of hostilities of World War II (December 31, 1946, 12 F. R. 1), the Corporation's obligation to make the loans so directed will end with the 1948 crop. Section 201 would continue the existing requirement to make loans with respect to the basic commodities upon crops harvested on or before December 31, 1950.

Section 202 relates to the price support of Steagall commodities. Section 4 (a) of the act of July 1, 1941, as amended, the so-called Steagall amendment, requires the Corporation during the period ending December 31, 1948, to provide direct loans, purchases, or other operations price support at not less than 90 percent of parity or comparable price for producers of the nonbasic agricultural commodities for which the Secretary of Agriculture, by formal or public announcement, has requested an expanded production to meet the needs of the war emergency. The Steagall commodities are hogs, eggs, chickens

and turkeys, milk and butterfat, dried peas of certain varieties, dried edible beans of certain varieties, soybeans for oil, peanuts for oil, flaxseed for oil, American Egyptian cotton, potatoes, and sweetpotatoes. The bill would likewise extend this price-support program on the so-called Steagall commodities to crops thereof harvested on or before December 31, 1950.

CHANGES IN EXISTING LAW

In compliance with paragraph 2a of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (new matter is printed in *italic*, existing law in which no change is proposed is shown in roman, existing law proposed to be omitted is enclosed in black brackets):

STABILIZATION ACT OF 1942, AS AMENDED

* * * * *

SEC. 8. (a) The Commodity Credit Corporation is authorized and directed to make available upon any crop of the commodities cotton, corn, wheat, rice, tobacco, and peanuts harvested after December 31, 1941, and *[before the expiration of the two-year period beginning with the 1st day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated] on or before December 31, 1952*, if producers have not disapproved marketing quotas for such commodity for the marketing year beginning in the calendar year in which such crop is harvested, loans as follows:

(1) To cooperators (except cooperators outside the commercial corn-producing area, in the case of corn) at the rate in the case of cotton of 92½ per centum, and at the rate in the case of the other commodities of 90 per centum, of the parity price for the commodity as of the beginning of the marketing year;

(2) To cooperators outside the commercial corn-producing area, in the case of corn, at the rate of 75 per centum of the rate specified in (1) above;

(3) To noncooperators (except noncooperators outside the commercial corn-producing area, in the case of corn) at the rate of 60 per centum of the rate specified in (1) above and only on so much of the commodity as would be subject to penalty if marketed.

(b) All provisions of law applicable with respect to loans under the Agricultural Adjustment Act of 1938, as amended, shall, insofar as they are not inconsistent with the provisions of this section, be applicable with respect to loans made under this section.

(c) In the case of any commodity with respect to which loans may be made at the rate provided in paragraph (1) of subsection (a), the President may fix the loan rate at any rate not less than the loan rate otherwise provided by law if he determines that the loan rate so fixed is necessary to prevent an increase in the cost of feed for livestock and poultry and to aid in the effective prosecution of the war.

ACT OF JULY 1, 1941, AS AMENDED

* * * * *

SEC. 4. (a) Whenever during the existing emergency the Secretary of Agriculture finds it necessary to encourage the expansion of production of any non-basic agricultural commodity, he shall make public announcement thereof and he shall so use the funds made available under section 3 of this Act or otherwise made available to him for the disposal of agricultural commodities, through a commodity loan, purchase, or other operation, taking into account the total funds available for such purpose for all commodities, so as to support, during the continuance of the present war and until *[the expiration of the two-year period beginning with the 1st day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated] December 31,*

1952, a price for the producers of any such commodity with respect to which such announcement was made of not less than 90 per centum of the parity or comparable price therefor. The comparable price for any such commodity shall be determined and used by the Secretary for the purposes of this section if the production or consumption of such commodity has so changed in extent or character since the base period as to result in a price out of line with parity prices for basic commodities. Any such commodity loan, purchase, or other operation which is undertaken shall be continued until the Secretary has given sufficient public announcement to permit the producers of such commodity to make a readjustment in the production of the commodity. For the purposes of this section, commodities other than cotton, corn, wheat, tobacco, peanuts, and rice shall be deemed to be non-basic commodities.

* * * * *



Union Calendar No. 852

80TH CONGRESS
2D SESSION

H. R. 6263

[Report No. 1790]

IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 1948

Mr. WOLCOTT introduced the following bill; which was referred to the Committee on Banking and Currency

APRIL 22, 1948

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To provide a Federal charter for the Commodity Credit Corporation, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—COMMODITY CREDIT CORPORATION

4 CHARTER

5 SEC. 1. This title may be cited as the "Commodity
6 Credit Corporation Charter Act".

7 SEC. 2. CREATION AND PURPOSES.—For the purpose
8 of stabilizing, supporting, and protecting farm income and
9 prices, of assisting in the maintenance of balanced and ade-
10 quate supplies of agricultural commodities, products thereof,

1 foods, feeds, and fibers (hereinafter collectively referred to as
2 “agricultural commodities”), and of facilitating the orderly
3 distribution of agricultural commodities, there is hereby
4 created a body corporate to be known as ~~the~~ Commodity
5 Credit Corporation (hereinafter referred to as the “Corpora-
6 tion”), which shall be an agency and instrumentality of the
7 United States, within the Department of Agriculture, subject
8 to the general direction and control of its Board of Directors.

9 SEC. 3. OFFICES.—The Corporation may establish of-
10 fices in such place or places as it may deem necessary or
11 desirable in the conduct of its business.

12 SEC. 4. GENERAL POWERS.—The Corporation—

13 (a) Shall have succession in its corporate name.

14 (b) May adopt, alter, and use a corporate seal, which
15 shall be judicially noticed.

16 (c) May sue and be sued, but no attachment, injunc-
17 tion, garnishment, or other similar process, mesne or final,
18 shall be issued against the Corporation or its property. The
19 district courts of the United States, including the district
20 courts of the District of Columbia and of any Territory or
21 possession, shall have exclusive original jurisdiction of all
22 suits brought by or against the Corporation: *Provided*, That
23 the Corporation may intervene in any court in any suit,
24 action, or proceeding in which it has an interest. Any suit
25 against the Corporation shall be brought in the District

1 of Columbia, or in the district wherein the plaintiff resides
2 or is engaged in business. No suit against the Corporation
3 shall be allowed unless it shall have been brought within
4 ~~two~~ *four* years after the right accrued on which suit is
5 brought. All suits against the Corporation shall be tried by
6 the court without a jury. Notwithstanding any other provi-
7 sion of this Act, the Federal Tort Claims Act (Public Law
8 601, Seventy-ninth Congress) shall be applicable to the
9 Corporation.

10 (d) May adopt, amend, and repeal bylaws, rules, and
11 regulations governing the manner in which its business
12 may be conducted and the powers vested in it may be
13 exercised.

14 (e) Shall have all the rights, privileges, and immunities
15 of the United States, ~~including, but not limited to,~~ *with re-*
16 *spect to* the right to priority of payment with respect to
17 debts due from insolvent, deceased, or bankrupt ~~debtors,~~ and
18 ~~immunity from the imposition of court costs, fees, and~~
19 ~~charges, from the allowance of interest on claims and judg-~~
20 ~~ments, and from State and local statutes of limitations on~~
21 ~~suits, actions, or proceedings~~ *debtors*. The Corporation may
22 assert such rights, privileges, and immunities in any suit,
23 action, or proceeding.

24 (f) Shall be entitled to the use of the United States

1 mails in the same manner and upon the same conditions as
2 the executive departments of the Federal Government.

3 (g) May enter into and carry out such contracts or
4 agreements as ~~it deems~~ *are* necessary ~~or desirable~~ in the con-
5 duct of its business. State and local regulatory laws or rules
6 shall not be applicable with respect to contracts or agree-
7 ments of the Corporation or the parties thereto to the extent
8 that such contracts or agreements provide that such laws or
9 rules shall not be applicable, or to the extent that such laws
10 or rules are inconsistent with such contracts or agreements.

11 ~~(h) May in any manner acquire, hold, and dispose of~~
12 ~~such real or personal property or any interest therein as~~
13 ~~it deems necessary or desirable in the conduct of its business.~~

14 (h) *May contract for the use, in accordance with the*
15 *usual customs of trade and commerce, of plants and facilities*
16 *for the physical handling, storage, processing, servicing, and*
17 *transportation of the agricultural commodities subject to its*
18 *control. Except as provided in section 16, the Corporation*
19 *shall not have power to acquire or lease any such plant or*
20 *facility or to acquire or lease real property or any interest*
21 *therein, except that it may rent or lease office space necessary*
22 *for the conduct of its business.*

23 (i) May borrow money subject to any provision of
24 law applicable to the Corporation: *Provided, That the total*
25 *of all money borrowed by the Corporation, other than trust*

1 deposits and advances received on sales, shall not at any time
2 exceed in the aggregate \$4,750,000,000. The Corporation
3 shall at all times reserve a sufficient amount of its authorized
4 borrowing power which, together with other funds available
5 to the Corporation, will enable it to purchase, in accordance
6 with its contracts with lending agencies, notes, or other obliga-
7 tions evidencing loans made by such agencies under the Cor-
8 poration's programs.

9 (j) Shall determine the character of and the necessity
10 for its obligations and expenditures and the manner in which
11 they shall be incurred, allowed, and paid.

12 (k) Shall have authority to make final and conclusive
13 settlement and adjustment of any claims by or against the
14 Corporation or the accounts of its fiscal officers.

15 (l) May make such loans and advances of its funds as
16 ~~it deems~~ *are* necessary ~~or desirable~~ in the conduct of its
17 business.

18 (m) Shall have such powers as may be necessary or
19 appropriate for the exercise of the powers specifically vested
20 in the Corporation, and all such incidental powers as are
21 customary in corporations generally; but any research
22 financed by the Corporation shall relate to the conservation
23 or disposal of commodities owned or controlled by the Cor-
24 poration and shall be conducted in collaboration with research
25 agencies of the Department of Agriculture.

1 SEC. 5. SPECIFIC POWERS.—In the fulfillment of its
2 purposes and in carrying out its annual budget programs
3 submitted to and approved by the Congress pursuant to the
4 Government Corporation Control Act (31 U. S. C., 1940
5 edition, Supp. V, 841), the Corporation is authorized to
6 use its general powers only to—

7 (a) Support the prices of agricultural commodities
8 through loans, purchases, payments, and other operations.

9 (b) Make available materials and facilities required in
10 connection with the production and marketing of agricul-
11 tural commodities.

12 (c) Procure agricultural commodities for sale to other
13 Government agencies, foreign governments, and domestic,
14 foreign, or international relief or rehabilitation agencies, and
15 to meet domestic requirements.

16 (d) Remove and dispose of or aid in the removal or
17 disposition of surplus agricultural commodities.

18 (e) Increase the domestic consumption of agricultural
19 commodities by expanding or aiding in the expansion of
20 domestic markets or by developing or aiding in the develop-
21 ment of new and additional markets, marketing facilities, and
22 uses for such commodities.

23 (f) Export or cause to be exported, or aid in the
24 development of foreign markets for, agricultural commodities.

1 (g) Carry out such other operations as the Congress
2 may specifically authorize or provide for.

3 *In the Corporation's purchasing and selling operations*
4 *with respect to agricultural commodities (except sales to*
5 *other Government agencies), and in the warehousing, trans-*
6 *porting, processing, or handling of agricultural commodities,*
7 *the Corporation shall utilize the usual and customary chan-*
8 *nels, facilities, and arrangements of trade and commerce.*

9 SEC. 6. EXISTING STATUTES APPLICABLE TO THE
10 CORPORATION.—The Federal statutes applicable to Com-
11 modity Credit Corporation, a Delaware corporation, shall be
12 applicable to the Corporation. Commodity Credit Corpora-
13 tion, a Delaware corporation, shall cease to be an agency
14 of the United States as provided in section 7 (a) of the Act
15 of January 31, 1935, as amended (15 U. S. C., 1940 edition,
16 Supp. V, 713 (a)).

17 SEC. 7. CAPITAL STOCK.—The Corporation shall have
18 a capital stock of \$100,000,000 which shall be subscribed by
19 the United States. Such subscription shall be deemed to be
20 fully paid by the transfer of assets to the Corporation pur-
21 suant to section 16 of this Act. The Corporation shall pay
22 interest to the United States Treasury on the amount of its
23 capital stock, and on the amount of the obligations of the
24 Corporation purchased by the Secretary of the Treasury

1 pursuant to the Act of March 8, 1938 (U. S. C., title 15,
2 sec. 713a-4), as amended, at such rates as may be deter-
3 mined by the Secretary of the Treasury to be appropriate
4 in view of the terms for which such amounts are made
5 available to the Corporation.

6 SEC. 8. FUNDS.—The Corporation is authorized to use
7 in the conduct of its business all its funds and other assets,
8 including capital and net earnings therefrom, and all funds
9 and other assets which have been or may hereafter be
10 transferred or allocated to, borrowed by, or otherwise
11 acquired by it.

12 SEC. 9. DIRECTORS.—The management of the Corpora-
13 tion shall be vested in a Board of Directors (hereinafter
14 referred to as the “Board”). The Board shall consist of
15 five members. The Secretary of Agriculture, or his nominee,
16 shall be a member of the Board and the remaining members
17 shall be appointed by the President by and with the advice
18 and consent of the Senate. The Chairman of the Board
19 shall be selected by the Board. A majority of the directors
20 shall constitute a quorum of the Board and action shall be
21 taken only by a majority vote of those present. The ap-
22 pointed directors shall serve for a period of five years, except
23 that the terms of the first Board shall be shortened to pro-
24 vide for replacement or reappointment of its members in
25 number as nearly equal as practicable in each year. The

1 power of removal shall be vested in the President of the
2 United States. The Corporation may provide, by its bylaws,
3 for the compensation to be paid the directors: *Provided*, That
4 the compensation paid any director shall not exceed in the
5 aggregate \$10,000 per annum: *And provided further*, That
6 employees of the Corporation or any department or agency
7 of the Federal Government, if also directors, shall not receive
8 additional compensation for their services on the Board.
9 Employees of the Corporation or any department or agency
10 of the Federal Government, if also directors, shall not com-
11 prise, in the aggregate, more than one-half the members of
12 the Board.

13 SEC. 10. THE EXECUTIVE STAFF.—Responsibility for
14 the day-to-day conduct of the business of the Corporation
15 shall be vested in a staff of executive officers, headed by a
16 chief executive appointed by the Board and responsible to
17 the Board. The executive staff shall include a controller.
18 Members of the executive staff shall devote their full time
19 to the affairs of the Corporation. The Board shall define
20 the authority and duties of the members of the executive
21 staff, delegate to them such of the powers vested in the
22 Corporation as it may determine, require that such of them
23 as it may designate be bonded and fix the penalties therefor.
24 The Corporation may pay the premium of any bond or

1 bonds of any officer or employee. With the exception of
2 experts, appointments shall be made pursuant to the civil-
3 service laws and the Classification Act of 1923, as amended
4 (5 U. S. C., 1940 edition, 661).

5 SEC. 11. COOPERATION WITH OTHER GOVERNMENTAL
6 AGENCIES.—The Corporation may, with the consent of the
7 agency concerned, accept and utilize, on a compensated or
8 uncompensated basis, the officers, employees, services, facil-
9 ities, and information of any agency of the Federal Govern-
10 ment, including any bureau, office, administration, or other
11 agency of the Department of Agriculture, and of any State,
12 the District of Columbia, any Territory or possession, or any
13 political subdivision thereof. The Corporation may allot
14 to any bureau, office, administration, or other agency of
15 the Department of Agriculture or transfer to such other
16 agencies as it may request to assist it in the conduct of its
17 business any of the funds available to it for administrative
18 expenses. The personnel and facilities of the Corporation
19 may, with the consent of the Corporation, be utilized on a
20 reimbursable basis by any agency of the Federal Govern-
21 ment, including any bureau, office, administration, or other
22 agency of the Department of Agriculture, in the performance
23 of any part or all of the functions of such agency.

24 SEC. 12. UTILIZATION OF ASSOCIATIONS AND TRADE
25 FACILITIES.—The Corporation may, in the conduct of its

1 business, utilize on a contract or fee basis, committees or
2 associations of producers, producer-owned and producer-
3 controlled cooperative associations, and trade facilities.

4 SEC. 13. RECORDS; ANNUAL REPORT.—The Corpora-
5 tion shall at all times maintain complete and accurate books
6 of account and shall file annually with the Secretary of Agri-
7 culture a complete report as to the business of the Corpora-
8 tion, a copy of which shall be forwarded by the Secretary
9 of Agriculture to the President for transmission to the
10 Congress.

11 SEC. 14. INTEREST OF MEMBERS OF THE CONGRESS.—
12 The provisions of section 1 of the Act of February 27, 1877,
13 as amended (41 U. S. C., 1940 edition, 22), shall apply to
14 all contracts or agreements of the Corporation, except con-
15 tracts or agreements of a kind which the Corporation may
16 enter into with farmers participating in a program of the
17 Corporation.

18 SEC. 15. CRIMES AND OFFENSES.—

19 FALSE STATEMENTS; OVERVALUATION OF SECURITIES

20 (a) Whoever makes any statement knowing it to be
21 false, or whoever willfully overvalues any security, for the
22 purpose of influencing in any way the action of the Corpora-
23 tion, or for the purpose of obtaining for himself or another,
24 money, property, or anything of value, under this Act, or
25 under any other Act applicable to the Corporation, shall,

1 upon conviction thereof, be punished by a fine of not more
2 than \$10,000 or by imprisonment by not more than five
3 years, or both.

4 EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUD-
5 ULENT ISSUE OF OBLIGATIONS OF CORPORATION

6 (b) Whoever, being connected in any capacity with
7 the Corporation or any of its programs, (i) embezzles,
8 abstracts, purloins, or willfully misapplies any money, funds,
9 securities, or other things of value, whether belonging to
10 the Corporation or pledged or otherwise entrusted to it;
11 or (ii) with intent to defraud the Corporation, or any other
12 body, politic or corporate, or any individual, or to deceive
13 any officer, auditor, or examiner of the Corporation, makes
14 any false entry in any book, report, or statement of, or to,
15 the Corporation, or draws any order, or issues, puts forth
16 or assigns any note or other obligation or draft, mortgage,
17 judgment, or decree thereof; or (iii) with intent to de-
18 fraud the Corporation, participates or shares in, or receives
19 directly or indirectly any money, profit, property, or benefits
20 through any transaction, loan, commission, contract, or any
21 other act of the Corporation, shall, upon conviction thereof,
22 be punished by a fine or not more than \$10,000 or by
23 imprisonment for not more than five years, or both.

24 LARCENY; CONVERSION OF PROPERTY

25 (c) Whoever shall willfully steal, conceal, remove, dis-

pose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

GENERAL STATUTES APPLICABLE

(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the Act of March 4, 1909, as amended (18 U. S. C., 1940 edition, 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT

1 CORPORATION, A DELAWARE CORPORATION.—The assets,
2 funds, property, and records of Commodity Credit Corpora-
3 tion, a Delaware corporation, are hereby transferred to the
4 Corporation. The rights, privileges, and powers, and the
5 duties and liabilities of Commodity Credit Corporation, a
6 Delaware corporation, in respect to any contract, agreement,
7 loan, account, or other obligation shall become the rights,
8 privileges, and powers, and the duties and liabilities, respec-
9 tively, of the Corporation. The enforceable claims of or
10 against Commodity Credit Corporation, a Delaware corpora-
11 tion, shall become the claims of or against, and may be
12 enforced by or against, the Corporation.

13 SEC. 17. DISSOLUTION OF DELAWARE CORPORA-
14 TION.—The Secretary of Agriculture, representing the United
15 States as the sole owner of the capital stock of Commodity
16 Credit Corporation, a Delaware corporation, is hereby au-
17 thorized and directed to institute or cause to be instituted
18 such proceedings as are required for the dissolution of said
19 Corporation under the laws of the State of Delaware. The
20 costs of such dissolution of said Corporation shall be borne
21 by the Corporation.

22 SEC. 18. EFFECTIVE DATE.—This title shall take effect
23 as of midnight June 30, 1948.

1 TITLE II—AMENDMENTS TO EXISTING LAW

2 SEC. 201. Section 8 (a) of the Stabilization Act of 1942,
3 as amended (U. S. C., 1940 edition, Supp. V, title 50, sec.
4 968), is amended by striking out “before the expiration of
5 the two-year period beginning with the 1st day of January
6 immediately following the date upon which the President by
7 proclamation or the Congress by concurrent resolution de-
8 clares that hostilities in the present war have terminated”
9 and by inserting in lieu thereof “on or before ~~December 31,~~
10 ~~1952~~ *December 31, 1950*”.

11 SEC. 202. Section 4 ~~(b)~~ 4 (a) of the Act entitled “An
12 Act to extend the life and increase the credit resources of the
13 Commodity Credit Corporation, and for other purposes”,
14 approved July 1, 1941 (U. S. C., 1940 edition, Supp. V,
15 title 15, sec. 713a-8 (a)), is amended by striking out “the
16 expiration of the two-year period beginning with the 1st day
17 of January immediately following the date upon which the
18 President by proclamation or the Congress by concurrent
19 resolution declares that hostilities in the present war have
20 terminated” and by inserting in lieu thereof “~~December 31,~~
21 ~~1952~~ *December 31, 1950*”.

80TH CONGRESS
2d Session

H. R. 6263

[Report No. 1790]

A BILL

To provide a Federal charter for the Commodity
Credit Corporation, and for other purposes.

By Mr. Wolcott

APRIL 15, 1948

Referred to the Committee on Banking and Currency

APRIL 22, 1948

Reported with amendments, committed to the Com-
mittee of the Whole House on the State of the
Union, and ordered to be printed

understood, that there is no conflict in this case with the National Guard of my State. Therefore, I shall read from a letter from Gen. Charles R. Fox, adjutant general and head of the National Guard of West Virginia, under date of March 13, 1948, directed to me. He says:

I understand and appreciate your concern in the West Virginia Ordnance Works.

By that he means this ground—

But I assure you that even if the bill is passed we will not request any real estate at the West Virginia Ordnance Works which would interfere with the sale to an industry. I fully realize the need of additional employment in Mason County and will cooperate with you fully in your objectives.

I urge you to reconsider your objections to H. R. 2239 and to support its passage.

Mr. President, I wish to state that my sole concern is based upon the interests of the people of that county, who have conferred with me, and I wish to state that there is need for places of employment at that point.

Therefore, I ask that the amendment be adopted.

Mr. FERGUSON. Mr. President, inasmuch as this amendment applies to only one county in the State of West Virginia, the Senator from Michigan sees no objection to the amendment. If adopted, it would not interfere with the general purpose of the bill, which is applicable to all the States of the Union.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from West Virginia [Mr. REVERCOMB].

The amendment was agreed to.

The PRESIDENT pro tempore. Are there further amendments to be offered to the bill? If none, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

FEDERAL CHARTER FOR COMMODITY CREDIT CORPORATION

Mr. LANGER. Mr. President, I move that the Senate proceed to the consideration of Senate bill 1322, providing a Federal charter for the Commodity Credit Corporation. The bill is Calendar No. 1064.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from North Dakota.

TEMPORARY RETENTION OF GERMAN PAINTINGS

Mr. FULBRIGHT. Mr. President, on April 2, I introduced a bill providing for the temporary retention in this country of the German paintings now on exhibit at the National Gallery of Art.

This bill simply provides for their retention in this country until a government is recognized in Germany, and I believe that will be in conformity with the policy announced some 3 years ago by the President. The bill expressly recognizes the title of the Germans to these paintings. The principal purpose of the bill is to provide for the safety of the paintings until such a government is recognized. The bill also provides, purely

as a permissive matter, that these paintings may be exhibited in this country under the supervision of the trustees of the National Gallery of Art.

A subcommittee of the Armed Services Committee held a hearing on this bill on April 16, under the chairmanship of the able Senator from Oregon. At the hearing, representatives of the Army, the State Department—represented by General Saltzman—the National Gallery, the Metropolitan Museum, the St. Louis Art Museum, the Art Digest, and several other groups appeared. It was an excellent hearing, and all present, except the representatives of the Army, favored the bill.

On April 13, before that hearing, the chairman of the Armed Services Committee of the Senate wrote to the Secretary of the Army, the Honorable Kenneth C. Royall. I wish to read a part of that letter, to indicate its principal point. I need not burden the record with all of the letter. This letter is signed by the chairman of the committee, and it reads in part as follows:

In view of the fact that the committee may not be able to reach a final decision previous to the termination of the present exhibition at the National Gallery of Art, and because of the great public interest shown in these paintings, it may be that you will wish to arrange for an extension of the present showing until such time as the committee can make its final decision on the matter.

Further, it is the committee's feeling that the present date set by the Army for the return of these pictures to Germany should be canceled, and that no substitute date should be announced until such time as the legislation has been finally acted upon.

I call particular attention, Mr. President, to the last paragraph of the letter which I have just read.

In response to that letter, on April 17, the Secretary of the Army addressed a letter to the Honorable CHAN GURNEY, chairman of the Senate Armed Services Committee. The letter is rather long, but the last paragraph relates to the point I wish to bring out. He says:

However, in response to your request and to give your committee opportunity for further consideration of this matter, I have asked the National Gallery to continue its exhibit for another week, after which I am firmly of the opinion that the pictures should be returned to Germany.

Mr. President, in view of the nationwide interest in these paintings and the strong letter from the Chairman of the Committee requesting a delay by the Army in the return of the paintings to Germany, I am astonished at the reply which has been made by the Secretary of the Army. To my mind, this answer to a reasonable request by the Senate committee evidences a lack of respect for the Senate. The Army knows very well that the Senate can not possibly reach a decision on this matter by next Monday. The Armed Services certainly have not been able to act very quickly in their own reformation, and I am sure they do not believe that the Senate can act on this matter before next week.

This letter of the Army is, I fear, only typical of an arrogance which all too often characterizes the attitude of the military toward the democratic process

and toward the Congress. Apparently the purpose of the Army is to foreclose action by the Congress in this matter. The reasons given by the Army, which apparently are those of General Clay, seem to me to pertain to matters which are not strictly within the purview of the Army. Such matters should be decided by the State Department or by the Congress. I might say the State Department ought to be consulted, and particularly that division of the State Department concerned with our public relations. I refer to the Assistant Secretary, Mr. George Allen. Throughout the dealing with these pictures, the Army has treated the matter as a restricted one, being very careful, until very recently, to keep from the public and from the press what their purpose was. I wish to quote from a hearing on March 4, conducted by a subcommittee of the Armed Services Committee of the Senate, at which only one witness appeared; that is, the Army's witness, Colonel Riggs. The result of that hearing was that the chairman of the subcommittee agreed that the ownership of the paintings was settled by our agreement under the Hague convention concerning articles which may be considered loot or booty of war. In the hearing on March 4 there is one sentence, on page 7 of the transcript, which I think shows fairly clear what the attitude of the Army has been. I want to quote that sentence:

The basic reason for close guarding of the secret has been to prevent conjecture and debate in the press before the position of the Government could be entirely confirmed.

In other words, throughout the handling of the paintings up until the time of the exhibition, which was a little over a month ago, the Army very carefully kept from the public any notice of their plans or any announcement of them. That is one reason why we have had no opportunity to pass upon the subject or to consider it in the Senate.

The pictures have been in storage in the National Gallery of Art for 3 years, and during that period they were not permitted to be exhibited, although I am informed that such institutions as the Metropolitan Museum of Art, New York, had requested them. In view of that long sojourn in the museum, the unseemly haste with which they must move now, as the letter from the Secretary of the Army indicates, seems to me quite unreasonable, and I think the very least the Army can do is to give the Senate an opportunity to consider the matter and to pass upon it.

I am not so concerned today with what the ultimate decision of the Senate may be, as I am that the Senate may not be foreclosed from passing upon the question. I think the least to be expected is that we shall have an opportunity to pass on it. If the committee decides that the paintings must be returned now, I shall be perfectly content with the decision. If, on the other hand, it decides that the matter should be presented to the Senate for decision, I certainly think that ought to be done, and that the Army ought not to foreclose that decision by shipping the paintings back to Germany before we have had an opportunity of passing upon the subject.

I submit to the Senate that this attitude of the Army, in its insistence upon sending these very valuable paintings back before there is an opportunity of passing upon the matter, is unwarranted and unjustified. I hope the Members of the Senate who have been interested in the matter—and I know many of them have been—will take time to consider the matter, and if they can, give their advice to the Army on the subject. It is a peculiar situation because under the jurisdiction of the Army, which they acquired when they found these paintings in a salt mine in Germany, they seem to have the authority to do with them as they please, in the absence of an act by Congress.

The Army is not subject to criticism for having acquired the art treasures; that came about in the natural course of events in the war. But I think they are subject to criticism for apparently being unwilling to have the Congress consider the matter at all. I hope the Committee on the Armed Services will be able to proceed as rapidly as possible to a decision on this matter.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had insisted upon its amendments to the bill (S. 2195) to amend and extend the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. O'HARA, Mr. McMAHON, Mr. ALLEN of California, Mr. HARRIS, and Mr. ABERNETHY were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 188) authorizing the Clerk of the House in the enrollment of the bill (H. R. 5328) to amend paragraph 1803 (2) of the Tariff Act of 1930, relating to firewood and other woods, to make certain corrections, in which it requested the concurrence of the Senate.

FORT SUMTER NATIONAL MONUMENT

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the joint resolution (S. J. Res. 94) to establish the Fort Sumter National Monument in the State of North Carolina, which was, on page 1, line 3, to strike out "Secretary of War" and insert "Secretary of the Army."

Mr. BUTLER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

EXTENSION OF RECIPROCAL TRADE AGREEMENTS ACT

Mr. BREWSTER obtained the floor.

Mr. MYERS. Mr. President, will the Senator yield?

Mr. BREWSTER. I should like to defer yielding at this time.

Mr. MYERS. I may say to the Senator it would only take me a few moments.

Mr. BREWSTER. I am happy to yield.

Mr. MYERS. Mr. President, the Reciprocal Trade Agreements Act will expire in 2 months unless the Congress takes prompt action to extend this measure, which today—as it has been since its original enactment—is a keystone in our foreign policy and in our determination to achieve a decent world in which free nations can exist.

There is no doubt in my mind that we face the most bitter fight in the Congress in the enactment of the necessary legislation to continue this program. The opposition, I say flatly, is based almost entirely on misconception and distortion of fact. It is, however, exceedingly vocal and exceedingly well-financed.

In 1946 an effort was made, which nearly succeeded, to sabotage this program and kill it. We managed to muster enough votes to keep it going. In 1947, the opposition renewed the drive to cripple or end reciprocal trade agreements, but fortunately, the influence of the chairmen of two of our committees, the Committee on Foreign Relations and the Committee on Finance, was sufficient to hold off the attack. As the time approaches for a decision this attack is getting under way again. The Senate cannot act on the matter until the House has acted. Influence must be brought to bear on the responsible leadership of the House for prompt action. The matter dare not be left to the last-minute rush and chaos of adjournment or recess prior to the Republican National Convention in June, but it should be settled now, as soon as possible, in an atmosphere of at least comparative calm such as we shall not have in the closing minutes or days of the session.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a telegram I received recently from a prominent and outstanding Philadelphian, Mr. William Batt, president of SKF Industries, Inc., and a valuable wartime Government production executive, who says that extension of the present Reciprocal Trade Agreements Act is of the most vital importance to the export and import trade of the United States.

I therefore ask that Mr. Batt's telegram be printed in the RECORD at this point in my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PHILADELPHIA, PA., April 15, 1948.

HON. FRANCIS J. MYERS,
United States Senate,
Washington, D. C.:

The extension of the present reciprocal Trade Agreements Act seems to us to be of the most vital importance to the export-import trade of the United States. This company is keenly concerned that the Congress shall act affirmatively on this matter before the expiration date. Duties on our production have been cut each time but steadily increasing cost abroad give us no fear of any substantial importation that would seriously hurt us. We think the safety measures provided will insure against material damage to American industry. Hope you will support this program.

W. L. BATT.

FEDERAL CHARTER FOR COMMODITY CREDIT CORPORATION

Mr. AIKEN. Mr. President, I understand the pending question is on agreeing to the motion to take up Senate bill 1322, providing a Federal charter for the Commodity Credit Corporation. Two or three Members of the Senate have approached me, suggesting there has been an agreement not to vote on this bill until Monday. I reported the bill to the floor, and I understood I was to have charge of it. Nobody has approached me in regard to any agreement. I should like to inquire whether there is such an agreement, and if so, when it was entered into, and what brought it about.

The PRESIDENT pro tempore. The Chair has no knowledge whatever of such an agreement. The question pending before the Senate is whether the Senate shall proceed to the consideration of the bill. Consideration of the motion has been temporarily suspended to make way for a privileged matter, the laying down of a message from the House of Representatives.

Mr. AIKEN. I thank the Chair. That had been my understanding.

The PRESIDENT pro tempore. The question now is on agreeing to the motion of the Senator from North Dakota to proceed to the consideration of Senate bill 1322. The Chair again recognizes the Senator from Maine.

CLARIFICATION OF PALESTINE SITUATION

Mr. BREWSTER. Mr. President, it has seemed the appropriate time today to clarify the situation in the minds of the Senate and, I believe, of the country, as to the precise position which we occupy with regard to the problem of Palestine, which is now having attention at Lake Success. As a text for a possible discussion of the problem I wish to quote from the statement of our Ambassador at the United Nations, the Honorable Warren Austin, formerly a Member of this body, in the speech which he made before the United Nations General Assembly yesterday before the Political and Security Committee dealing with the problem. I quote one paragraph of that statement, in which Mr. Austin said:

The United States has raised with certain other governments the question of joint responsibility for the security of a temporary trusteeship. These discussions have thus far produced no tangible result. The United States is willing to undertake its share of responsibility for the provision of police forces which are required during a truce and a temporary trusteeship, along with other members who may be selected by the General Assembly and who are willing to carry out such a task in accordance with the will of the Assembly and with the provisions of the Charter.

That is the end of the quotation from the speech of our Ambassador.

In prior consideration of this subject it had been rather generally understood that the provision of police or military forces would require further implementation by action of the Congress. So there was considerable inquiry, when this statement appeared, as to whether there existed authority for the supplying of forces for such a purpose under existing

the RECORD to be perfectly clear that I am not purporting this afternoon to take a position on the merits of the position our delegation to the United Nations has taken on this question; but I do want the RECORD to be perfectly clear that I think many other persons, in the Senate and in the Nation, share my puzzlement as to just what our position is. It is very difficult to find in our delegation's discussion of the Palestinian issue any consistent, logical case as to what our policy is toward Palestine. In the interest not only of the future of the United Nations, but in the interest of world peace, we should hasten our final decision as to our final policy in Palestine and make that decision so crystal clear that all parties concerned and all groups will know exactly where we stand on the merits of the issue.

FEDERAL CHARTER FOR THE COMMODITY CREDIT CORPORATION

Mr. AIKEN. Mr. President, I believe the pending business is Senate bill 1322, to provide a Federal charter for the Commodity Credit Corporation; is it not?

The PRESIDING OFFICER. A motion was made by the Senator from North Dakota [Mr. LANGER] that the Senate proceed to consider that bill. Does the Senator from Vermont now wish to press the motion?

Mr. AIKEN. I do.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, which had been reported from the Committee on Agriculture and Forestry, with amendments.

Mr. AIKEN. Mr. President, this is a bill to grant a charter to the Commodity Credit Corporation. It follows out the requirements of the so-called Byrd-Butler law, which requires all Federal corporations to proceed under Federal charters after July 1, 1948. The committee has amended the bill in several places. I shall not explain each amendment in detail unless some Senator desires me to do so.

In brief, the committee has made an effort more strictly to define the duties and authority of the Commodity Credit Corporation, and certain amendments are placed in the bill for that purpose.

The committee has also amended the bill so as to include the amount of guaranteed bank loans under the total authorization granted to the Commodity Credit Corporation. I think that Members of the Senate know that much of what the Commodity Credit Corporation has done has been through local banks, and that the loans so made should be included in the over-all limitations.

The committee also amended the bill to provide that any research work conducted by the Commodity Credit Corporation should relate to the servicing or disposal of commodities owned or controlled by the corporation, and should be conducted in collaboration with the research agencies of the Department of Agriculture. This is an effort to control the different agencies of government which are showing a tendency of late to set up full-fledged research departments of their own, without regard to similar

research which may be conducted by other agencies of the Department of Agriculture.

The last amendment to which I shall call attention requires the Commodity Credit Corporation to pay to the United States Treasury a sum which will reimburse the Treasury in full for the interest on the money which the Commodity Credit Corporation may borrow from the Treasury.

There will be offered to the bill several other amendments, which I have discussed with the Senators who will offer them. I think we have worked out solutions to practically all of the proposed amendments. There may be one exception.

Unless there are some questions to be asked about the bill, I ask that the committee amendments be acted upon. I know of no objection to any of the committee amendments. Then we can take up the amendments which will be proposed by Members of the Senate.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BUTLER. I first wish to say that, in general, I am in thorough sympathy with the program of the Commodity Credit Corporation. It has served a good purpose. However, I should like to invite the attention of the Senator from Vermont to the fact that it was found that private enterprise could serve just as well in the purchase of some commodities. Let us take coal, for instance. The tonnage of purchases of coal in this country to go to Europe is about the same as the tonnage of grain. Instead of handling the purchases through a Government corporation, the work has all been done through private enterprise, and it is the recommendation of the official who is handling the coal purchases that the same program be followed with respect to the grain purchases.

I realize that it is too late to amend the measure to any degree in that respect, but I should like to ask the Senator one question. Is it the purpose of the sponsors of the bill to make permanent the activities of the Government in business, or are they looking forward to the time when business can again be returned to private enterprise?

Mr. AIKEN. It is my understanding that an amendment will be proposed to the charter bill which will limit the length of time the charter will continue in operation to the same period which has been granted in the case of the RFC, which serves the banking and industrial interests of the United States just as the Commodity Credit Corporation was originally created to serve the agricultural interests.

I understand that coal referred to by the Senator has not been purchased by the Commodity Credit Corporation. The armed services and other agencies which have designated the Commodity Credit Corporation the purchasing agency for grains and foodstuffs apparently have designated other agencies, or have bought direct such of their supplies as may have been needed for the European Recovery Program, for the people of the occupied areas, and for the armed services themselves. That is a matter which has been

left to the armed services themselves, and is not written into the Commodity Credit Corporation Charter bill as being obligatory, although they are permitted to make purchases for other agencies of Government when they are required or requested to do so.

The PRESIDING OFFICER. The clerk will state the amendments of the committee.

The amendments of the committee were on page 1, line 6, after the word "purpose" to strike out "of promoting the general welfare by stabilizing, supporting, and protecting farm income and prices, by assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as agricultural commodities), and by facilitating the orderly distribution of" and insert "of stabilizing, supporting, and protecting farm income and prices, assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as agricultural commodities), and facilitating the orderly distribution of."

On page 4, line 22, after the word "Corporation," to insert:

The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power under the act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

On page 5, after line 13, to strike out:

(m) May conduct researches, surveys, and investigations relating to the conduct of its business.

(n) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally.

And insert:

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

On page 7, after line 2, to strike out:

(g) To the extent specifically authorized by law, make payments with respect to, or purchases for resale at a loss of, agricultural commodities, for the purpose of maintaining the maximum prices established under the Emergency Price Control Act of 1942, as amended.

(h) Carry out such other operations as the Congress may authorize or provide for.

And insert:

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

On page 8, after line 3, to insert:

The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant

to the act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

On page 14, after line 20, to insert the following new section:

SEC. 19. Effective date: This act shall take effect on July 1, 1948.

So as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Commodity Credit Corporation Charter Act."

SEC. 2. Creation and purposes: For the purpose of stabilizing, supporting, and protecting farm income and prices, assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as "agricultural commodities"), and facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to be known as the Commodity Credit Corporation (hereinafter referred to as the "Corporation"), which shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general direction and control of the Secretary of Agriculture (hereinafter referred to as the "Secretary").

SEC. 3. Offices: The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business.

SEC. 4. General powers: The Corporation—

(a) Shall have accession in its corporate name.

(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.

(c) May sue and be sued, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction of all suits brought by or against the Corporation: *Provided*, That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit against the Corporation shall be allowed unless it shall have been brought within 2 years after the right accrued on which suit is brought. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this act, the Federal Tort Claims Act (Public Law 601, 79th Cong.) shall be applicable to the Corporation.

(d) May adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised.

(e) Shall have all the rights, privileges and immunities of the United States, including, but not limited to, the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors, and immunity from the imposition of court costs, fees, and charges, from the allowance of interest on claims and judgments, and from State and local statutes of limitations on suits, actions, or proceedings. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding.

(f) Shall be entitled to the use of the United States mails in the same manner and upon the same conditions as the executive departments of the Federal Government.

(g) May enter into and carry out such contracts or agreements as it deems neces-

sary or desirable in the conduct of its business. The Corporation may, whenever, it deems it necessary or desirable in the conduct of its business, consent to the modification of any term or condition of any contract or agreement of any kind to which it is a party. State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements.

(h) May in any manner acquire, hold, and dispose of such real and personal property or any interest therein as it deems necessary or desirable in the conduct of its business.

(i) May borrow money subject to any provision of law applicable to the Corporation. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power under the act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid.

(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers:

(l) May make such loans and advances of its funds as it deems necessary or desirable in the conduct of its business.

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

SEC. 5. Specific powers: In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 ed., Supp. V, 841), the Corporation is authorized to use its general powers only to—

(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

(c) Procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

(e) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities.

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

SEC. 6. Existing statutes applicable to the Corporation: The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the

Corporation. Commodity Credit Corporation, a Delaware corporation, shall cease to be an agency of the United States as provided in section 7 (a) of the act of January 31, 1935, as amended (15 U. S. C., 1940 ed., Supp. V, 713 (a)).

SEC. 7. Capital stock: The Corporation shall have a capital stock of \$100,000,000 which shall be subscribed by the United States. Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this act. The Secretary is hereby authorized and directed to receive such stock and to exercise, on behalf of the United States, any and all rights of the United States arising out of the ownership of such stock. The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

SEC. 8. Funds: The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it.

SEC. 9. Directors: The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board"), subject to the general direction and control of the Secretary who shall be a director and serve as Chairman of the Board. The Board shall consist of not less than 3 nor more than 11 persons employed in the Department of Agriculture who shall be appointed by and hold office at the pleasure of the Secretary. The directors so appointed shall receive no compensation for their services as directors. Nothing herein contained shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 ed. 661).

SEC. 11. Cooperation with other governmental agencies: The Corporation may, with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivisions thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, in the performance of any part or all of the functions of such agency.

SEC. 12. Utilization of associations and trade facilities: The Corporation may, in the conduct of its business, utilize on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities.

SEC. 13. Records; annual report: The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary a complete report as to the business of the Corporation, a copy of which shall be forwarded by the Secretary to the President for transmission to the Congress.

SEC. 14. Interest of Members of the Congress: The provisions of section 1 of the act of February 27, 1877, as amended (41 U. S. C., 1940 ed. 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 15. Crimes and offenses.—

FALSE STATEMENTS; OVERVALUATION OF SECURITIES

(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself for another, money, property, or anything of value, under this act, or under any other act applicable to the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment by not more than 5 years, or both.

EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION

(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (i) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (ii) with intent to defraud the Corporation, or any other body, politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (iii) with intent to defraud the Corporation, participates or shares in, or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

LARCENY; CONVERSION OF PROPERTY

(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

GENERAL STATUTES APPLICABLE

(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall

not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the act of March 4, 1909, as amended (18 U. S. C., 1940 ed. 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 16. Transfer of assets of Commodity Credit Corporation, a Delaware corporation: The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation.

SEC. 17. Dissolution of Delaware corporation: The Secretary, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

SEC. 18. Corporation administrative accounts: In the event that the personnel or facilities of any bureau, office, administration, or other agency of or within the Department of Agriculture, including the Corporation, are utilized in the performance of functions, including those of the Corporation, for which separate funds are available, the Secretary of the Treasury is authorized and directed, upon the request of the Secretary, to establish one or more separate accounts into which there may be transferred, by advance payment or reimbursement, all or any part, as determined by the Secretary, of the funds available for administrative expenses in the performance of such functions. The funds so transferred shall be expended only for the purpose for which appropriated or made available.

SEC. 19. Effective date: This act shall take effect on July 1, 1948.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS. On behalf of myself, the Senator from Georgia [Mr. GEORGE], and the Senator from Nebraska [Mr. BUTLER], I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 10, line 13, after the words "fee basis", it is proposed to insert the words "privately owned and operated plants and facilities."

On page 10, line 15, it is proposed to strike out all after the word "and" and insert in lieu thereof "shall to the fullest extent practicable utilize existing trade channels for the marketing, sale, and distribution of such agricultural commodities."

Mr. WILLIAMS. Mr. President, I have proposed this amendment to the bill, S. 1322, providing a Federal Charter for the Commodity Credit Corporation. Under section 12 of the bill as reported by the Committee emphasis is put only upon committees, associations of producers

and producer-owned and producer-controlled cooperative associations in the utilization of facilities to conduct the business of the Corporation. I have prepared an amendment, which would not detract in any manner from the language now used in section 12, providing for the utilization of these facilities. I have, however, added additional language which would spell out in greater detail and with more emphasis that the Corporation shall, wherever feasible, utilize the facilities of private enterprise.

Those who believe in the free enterprise system will, I am certain, join with me in the adoption of this amendment.

I understand that the Senator from Vermont is willing to accept this amendment.

Mr. AIKEN. Yes, the amendment is in line with the method now being used by the Commodity Credit Corporation. The Corporation seems to be operating as satisfactorily now as it has at any time in its existence, and I have no objection to the amendment.

Mr. GEORGE. Mr. President, I merely wish to say that the two amendments to be offered by the Senator from Delaware are in line with the present practice of the Commodity Credit Corporation. Generally and consistently the Commodity Credit Corporation has followed the practices called for by the two amendments. But since the proposal now is the granting of a Federal charter over a period of years, the Corporation will be operating with rather extended and extensive powers, and it was deemed advisable that it be made abundantly clear in the act itself granting the charter, or chartering the Corporation, that the present practices were to be adhered to with respect to its commodity transactions.

I am pleased to cooperate with the Senator from Delaware. Both of us seem to have drawn amendments in substantially, though not identically, the same language.

Mr. MORSE. Mr. President, I do not wish to discuss at any length the issue now before the Senate. I ask simply to have published in the RECORD as a part of my remarks a statement by H. E. Sanford, of Portland, Oreg., dealing with the problem. I think Mr. Sanford's statement commends itself to the consideration of the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF H. E. SANFORD, PORTLAND, OREG., BEFORE THE HOUSE COMMITTEE ON BANKING AND CURRENCY

I appear before you as chairman of the National Grain Trade Council, an organization comprising all organized grain exchanges within the United States, plus six national grain and feed associations.

We come before this committee to present the views of the grain industry on H. R. 6214, cited as the Commodity Credit Corporation Charter Act. This bill seems improved in several respects as compared with the Senate bill, S. 1322, reported recently by the Senate Committee on Agriculture and Forestry. There are a few points, however, upon which we would like to comment.

The basic foundation of our price policy for agriculture rests in the crop-loan and price-support programs. For these programs

an instrument like Commodity Credit Corporation is needed. We prefer that the resulting activities in grain be handled by a corporate agency rather than by a governmental bureau. We should dislike to see these activities transferred away from the present experienced personnel to some other Government agency. For these reasons we favor the granting of a Federal charter to Commodity Credit Corporation.

We ask, however, that the proposed Federal charter be reasonably definite in its assignment of powers and authority to the Corporation. While the charter must be flexible enough to permit the Corporation to operate, it should by its terms limit the activities to the functions and objectives intended by Congress.

We ask the committee to bear in mind that it is dealing with a Corporation with a combined capital and borrowing power of nearly \$5,000,000,000. Secretary Dodd has testified recently that the annual turnover has been between eight and nine billion dollars. This volume of business in itself constitutes a terrific bestowal of power. Increasing numbers of individuals and firms throughout the United States are dependent on the good will of Commodity Credit Corporation for a large part of their business existence. Satisfactory as the business may be, they fear the power of any single agency to grant them those favors or to take them away.

For these reasons we ask that certain safeguards be erected for the purpose of insuring adequate control of the Corporation by Congress. While it is true that this is only a charter, and that the authorities come specifically from other legislation, we remind the committee that these separate authorities are strewn through a maze of statutes, appropriation bills, directives, and executive orders dating back for many years. It is almost impossible to know what can or cannot be done. It is likely that somewhere in the statutes, justification can be found for almost any action.

The rewriting of this charter, we believe, provides Congress with a simple means of limiting the powers to those which Congress intends.

To assist in this, we have prepared a draft of a substitute bill to H. R. 6214. We hope this may be useful to your committee in comparing some of the provisions, and we offer it herewith as part of the record.

The substitute bill follows the more usual form for corporate charters in that the purposes and objects of the Corporation are set forth at the outset. This has proved more desirable than to have the various duties and powers scattered throughout the charter, where they may be ambiguous and are not readily determined without careful study.

I do not intend to take the committee's time discussing all the details of either bill, but will mention only the principal differences as follows:

1. We recommend that the Corporation shall have corporate succession only until July 1, 1950, rather than be granted a perpetual charter as provided in section 4 (a) of H. R. 6214.

Two compelling reasons favor this:

(a) The Agriculture Committees of both Houses are considering long-range agricultural legislation. This is so vast a problem that it seems possible no major change may be made this year. Secretary Anderson was asked at the hearing before the Senate Agriculture Committee on Monday last, to prepare stand-by legislation for use in case permanent legislation required further study. If Commodity Credit's charter is limited to 2 years, its authority may, in the interim, be tailored to fit the requirements of new legislation. If at the end of 2 years, it is still a necessary and satisfactory instrument, it will be a simple matter to extend its life.

(b) The act of July 7, 1947, Public Law 162, established a bipartisan Commission on Or-

ganization of the Executive Branch. This Commission is to study and investigate the present organization and methods of operation of all departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the executive branch and to determine what is necessary to limit expenditures; to eliminate duplication and overlapping of services, activities, and functions; and to consolidate, abolish, and define services, functions, and activities. Former President Hoover has been named Chairman of the Commission. Congressmen CLARENCE BROWN and MANASCO are members of the Commission. A committee has been appointed to study the organization of the Department of Agriculture. That committee has, it is our understanding, commenced its investigation. If Congress were, prior to receiving the recommendations of this special study group, to establish within the Department of Agriculture a corporate agency with perpetual existence and broad powers, the agency, so established, would stand as a huge Gibraltar about which recommended eliminations, consolidations, and cost-saving operations would need to flow. The accomplishment of recommended changes might be impossible.

As a matter of fact, Secretary Anderson used this same argument in testifying last Monday before the Senate Agriculture Committee on the suggested National Agricultural Council established in the proposed Agricultural Act of 1948. He said, "I would certainly raise the question as to whether we want to go into this general field before the report of the President's Commission on Organization which as you all know is now at work under the chairmanship of Mr. Herbert Hoover."

2. Section 4 (g), to the first sentence: "May enter into and carry out such contracts or agreements as it deems necessary or desirable in the conduct of its business," we would add, "to the extent authorized by law and as provided for in budgets submitted to Congress under the Government Corporation Control Act, and approved by Congress."

This paragraph should be further amended to permit the Corporation to consent to the modification of contracts or agreements, in their terms and conditions.

3. Section 4 (h): We urge that the Corporation be denied authority to acquire real property or any interest therein, or to acquire or lease warehouses, elevators, mills, gins, processing plants, railroads or other transportation facilities, barges, boats, or wharves; except that this shall not prevent the Corporation from contracting for the use of any of the foregoing in accordance with the usual customs of trade and commerce, or preventing the Corporation from renting or leasing office space.

Our reason for the above is obvious. All of those facilities are available in this country to handle the flow of grain and other commodities in commerce. We consider it a threat to business—and even to farmers—to give any governmental agency the power to acquire commercial facilities. Private individuals cannot compete with what amounts virtually to a \$5,000,000,000 Government corporation, clothed with broad powers and not under any necessity of making a profit, and they should not be exposed to this risk.

4. Section 4 (1): This reads: "May make such loans and advances of its funds as it deems necessary or desirable in the conduct of its business."

We think this power is broader than is required for accomplishing the purposes and objectives of the Corporation and recommend that it be amended to read: "May make loans and advances of its funds on agricultural commodities to the extent authorized by law."

5. Section 5. Specific powers: We recommend that the opening paragraph be amended by inserting in line 12, after the word

"purposes", the following language: "as specifically authorized by law."

6. Section 5 (a) might be broadened by reading: "Support the prices of agricultural commodities through loans, purchases, payments, guaranties, and purchase and guaranty agreements."

7. Section 5 (b): This reads: "Make available materials and facilities required in connection with the production and marketing of agricultural commodities."

We recommend the addition of the following language: "but nothing herein is to be construed as authority to acquire, own, rent, or lease real property or transportation facilities."

8. Section 5: We respectfully urge that this section be amended by adding a new paragraph (h), or that a new section be added reading as follows:

"In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall utilize the usual and customary channels, facilities, and arrangements of private trade and commerce."

We believe that this principle of government is in keeping with the thinking of the present Congress as indicated by the provision in section 112 (h) of the Foreign Assistance Act recently passed, as follows:

"In providing for the performance of any of the functions described in subsection (a) of section 111, the Administrator shall, to the maximum extent consistent with the accomplishment of the purposes of this title, utilize private channels of trade."

It is inconsistent, for example, that we, as a nation, should be preaching democracy and private enterprise throughout the world, while at the same time foreign buyers of wheat can procure supplies only from the United States Government.

Our export houses for many years have had their own offices or business connections in foreign countries. With a few minor exceptions of short duration, they have not been permitted to handle United States wheat exports for about 7 years. We do not believe it is the policy of this committee or of the Congress to expand or maintain the role of Government in business, or to bar private firms from their normal business for so long a period. This matter will be discussed in detail by witnesses for the exporters at a later date.

9. Section 8, capital stock, and section 9, funds. The substitute bill which we have offered includes the following provisions in its section 6 (e), which the committee might wish to consider:

"There are hereby authorized to be appropriated to the Secretary of the Treasury, to be paid over to the Corporation from time to time as may be necessary to cover losses of the Corporation, such sums as are estimated in advance for such purpose in the Corporation's budgets submitted in accordance with the Government Corporation Control Act and approved by the Congress."

In closing let me remind the committee that the original purpose of Commodity Credit Corporation was to protect farm income. The laws passed for this purpose give the Secretary of Agriculture the power to take all business away from private firms. We merely ask that you give it back to us.

Our industry today exists by the kindness of the administrative policy of Commodity Credit Corporation. When individuals and firms depend increasingly for their business upon a single powerful customer, they are in an exceedingly precarious position. There is a growing fear of offending the customer by any criticism or complaint. This is the basic philosophy behind the democratic objection to government in business. State trading carries with it such vast economic power that inevitably the time comes when private cit-

izens are frightened into political submission; no longer do they dare to criticize or to raise their voices.

We believe this is the reason that Congress has started writing "private handling" clauses into legislation involving government in business. We respectfully petition the committee to provide this common safeguard in the Commodity Credit Corporation Charter.

The PRESIDING OFFICER. The question is on agreeing to amendment B offered by the Senator from Delaware on behalf of himself and other Senators.

The amendment was agreed to.

Mr. WILLIAMS. On behalf of the Senator from Virginia [Mr. BYRD], the Senator from Missouri [Mr. KEM], the Senator from Nevada [Mr. MALONE], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from Nebraska [Mr. BUTLER], and myself I offer amendment lettered "C" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 8, beginning after the period in line 22, it is proposed to strike out down through line 4 on page 9, and to insert in lieu thereof the following:

The Board shall consist of four members (in addition to the Secretary), who shall be appointed by the President, by and with the advice and consent of the Senate. Each appointed member of the Board shall hold office for a term of 4 years, except that (a) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (b) the terms of office of members first taking office after the date of enactment of this act shall expire, as designated by the President at the time of appointment, one at the end of 1 year, one at the end of 2 years, one at the end of 3 years, and one at the end of 4 years, after the date of enactment of this act. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at the rate of \$10,000 per annum, except that any such member who holds another office or position in the Department of Agriculture the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section.

Mr. WILLIAMS. Mr. President, as an explanation of the reason why I think it is essential that we should confirm these members, I have prepared a brief review of the operations of the Commodity Credit Corporation for the past 15 years, and I should like to present it at this time for the RECORD.

The Commodity Credit Corporation was incorporated under the laws of the State of Delaware on October 17, 1933, with capitalization of \$3,000,000, subscribed for in the name of the United States Government by the Secretary of Agriculture and the Governor of the Farm Credit Administration under the

authorization of section 220 of the National Industrial Recovery Act. On April 10, 1936, the Corporation's capitalization was increased to \$100,000,000, the additional \$97,000,000 of the Corporation's stock being acquired by the Reconstruction Finance Corporation in the name of the United States Government. The act of March 8 1938 (52 Stat. 108) authorized the Corporation, with the approval of the Secretary of the Treasury, to issue and have outstanding bonds, notes, debentures, and similar obligations in an aggregate amount not to exceed \$500,000,000, fully guaranteed as to principal and interest by the United States Government. The borrowing power of the Corporation was increased by successive amendments to the act of March 8, 1938, until now the Corporation is authorized to borrow \$4,750,000,000 on the credit of the United States. On February 18, 1946, the Corporation was granted an additional \$500,000,000 to be held as a reserve for postwar support of agriculture, bringing the total capitalization of this Corporation, exclusive of borrowing capacity, as of June 30, 1947, to \$600,000,000.

In addition to this paid-in capitalization of \$600,000,000, there has been appropriated to this Corporation between the years 1933 and 1946, inclusive, either as direct appropriations by Congress or

cancellation of notes by the Treasury Department, \$1,964,004,046.28.

As an additional source of capital, on August 24, 1935, under Public Law 320, Seventy-fourth Congress (49 Stat., p. 750), Congress authorized that 30 percent of the customs receipts should be turned over to the Secretary of Agriculture to be used to subsidize the export or domestic consumption of agricultural products. During the years 1936 to 1946, inclusive, the revenues derived from this source, known as section 32 funds, have amounted to \$1,133,726,295. Thus, the combined total of the funds available for these programs equaled \$3,697,730,341.28.

A review of the annual report of the Commodity Credit Corporation as of June 30, 1947, discloses that the Secretary of Agriculture, in the combined operations of these two funds, has sustained a loss between the years 1933 and 1946, inclusive, of \$3,139,785,495 and that the Commodity Credit Corporation itself, as of that date had a balance or a net worth of \$557,944,847.

These combined losses are summarized by years in a table which I now ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE NO. 1.—Statement of financial operations of the Commodity Credit Corporation, including sec. 32 funds

End of fiscal year	Capitalization	Restoration of capital impairment by U. S. Treasury	Sec. 32 funds	Cumulative total capital (columns (a), (b) and (c))	Cumulative gain or loss
	(a)	(b)	(c)	(d)	(e)
1933	\$3,000,000	0	0	\$3,000,000.00	0
1934	0	0	0	3,000,000.00	\$730,367
1935	0	0	0	3,000,000.00	1,644,575
1936	\$97,000,000	0	\$16,958,085	116,958,085.00	\$33,031,078
1937	0	0	15,451,587	132,409,672.00	\$55,092,520
1938	0	\$94,285,404.73	55,650,977	282,346,053.73	\$110,601,738
1939	0	\$119,599,918.05	81,326,615	483,272,586.78	\$190,982,641
1940	0	\$43,756,731.01	189,642,890	629,158,745.77	\$394,190,287
1941	0	\$1,637,445.51	219,365,779	850,161,070.28	\$647,254,409
1942	0	\$27,815,513.68	188,880,813	1,011,227,269.60	\$766,599,715
1943	0	0	93,368,302	1,104,595,571.60	\$964,603,919
1944	0	\$256,764,881.04	52,516,889	1,413,877,341.64	\$1,397,772,469
1945	0	\$921,456,561.00	53,377,445	2,393,711,347.64	\$2,290,994,088
1946	\$500,000,000	\$641,832,080.64	86,647,936	3,622,191,364.28	\$3,208,022,837
1947	0	0	75,538,977	3,697,730,341.28	\$3,079,834,799
Total	600,000,000	1,964,004,046.28	1,133,726,295	3,697,730,341.28	\$3,079,834,799
Reserve for postwar price support of agriculture					59,950,695
Total					\$3,139,785,494

Capitalization and appropriations..... \$3,697,730,341
Cumulative loss sustained, 1933 through 1947—sec. 32 funds and the Commodity Credit Corporation (column (e))..... 3,139,785,494

Net worth as of June 30, 1947..... 557,944,847

¹ Original capitalization. Subscribed by the Secretary of Agriculture and the Governor of Farm Credit Administration. The funds for such subscription were derived from the appropriation authorized by sec. 220 of the National Industrial Recovery Act (48 Stat. 210), and made by the Fourth Deficiency Act, fiscal year 1933 (48 Stat. 274).

² In accordance with the act of Apr. 10, 1936 (49 Stat. 1713a), the Corporation's capitalization was increased to \$100,000,000, the additional \$97,000,000 of the Corporation's stock being acquired by the Reconstruction Finance Corporation.

³ Loss.

⁴ Appropriation.

⁵ Payment to U. S. Treasury.

⁶ Restoration by note cancellation.

⁷ Paid to the Corporation to be held as a reserve for postwar price support of agriculture in accordance with the act of Feb. 18, 1946 (60 Stat. 6).

Mr. WILLIAMS. I have two additional tables, the first of which shows a break-down by commodities and years of that portion of the loss which was sustained by the Commodity Credit Corpo-

ration itself, amounting to \$1,831,498,139; the second shows a break-down as to commodities and the expenditures of section 32 funds during the same period. I ask unanimous consent that these

tables be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE NO. 2.—Program results from Oct. 17, 1933, through June 30, 1947

Program	Cumulative, Oct. 17, 1933, to June 30, 1941	Fiscal year ended June 30—						Cumulative, Oct. 17, 1933, to June 30, 1947
		1942	1943	1944	1945	1946	1947	
Subsidy programs:								
Apple freight equalization				\$3,047,115	\$182,603	\$33,204,163	\$1,299,861	\$3,220,718
Beef production					\$5,000,156			\$36,904,458
Barley for feed						\$6,994		\$6,994
Beans, dry edible				\$4,235,607	\$3,676,691	\$5,224,155	170,920	\$12,965,533
Cheese, Cheddar		\$11,437,554	\$26,101,634	\$18,472,810	\$11,674,918		52,132	\$67,634,784
Cocoa		\$100,903	\$1,036					\$101,939
Coffee		\$2,606,725	\$4,227,886	\$476,558		99,271	\$5,630	\$7,217,528
Corn ceiling price adjustment		\$359,755	\$1,166,751	\$9,252		79		\$1,535,679
Corn for alcohol		\$1,600,000	\$2,800,000					\$4,400,000
Corn purchase and shelling				\$1,697,048	\$1,920,359	\$2,257		\$3,619,664
Corn importation					\$2,106,398	\$1,026		\$2,105,372
Dairy production				\$153,136,335	\$532,253,665	\$519,390,647	\$1,462,810	\$1,206,243,457
Flaxseed						\$503,374	109,670	\$393,704
Fruits for processing				\$18,811,060	\$23,579,833	\$32,036,548	\$341,455	\$74,768,896
Hay for dairymen			\$2,719,720	\$2,697,103	\$198,161			\$2,498,942
Milk, fluid			\$2,719,720	\$8,897,342	\$12,902,735	\$13,143,008	\$463,283	\$38,125,088
Millfeed price support			\$163,062	\$24,944				\$188,006
Oilseeds and products:								
Peanut butter				\$5,563,880	\$9,051,802	\$4,972,949	31,043	\$19,557,588
Peanuts				\$10,356,565	\$9,119,557	\$6,477,244	\$965,213	\$26,005,429
Shortening				\$391,808	\$1,007,560	\$522,588	5,672	\$1,916,284
Soybeans		\$5,153,893	\$15,078,998	\$43,413,001	\$34,781,641		316,406	\$99,012,027
Vegetable oils and meals		\$8,919,376	\$2,054,403	\$86,386	\$142,237	\$2,465		\$6,903,824
Pear freight equalization					\$189,344			\$189,344
Phosphate fertilizer								
Pork purchase				\$330				\$330
Sheep and lamb production						\$41,427,240	\$1,810,912	\$43,238,152
Sugar			\$8,194,706	\$39,007,814	\$9,641,613	\$69,710,147	8,435,112	\$118,119,168
Vegetables for processing				\$20,988,233	\$14,476,131	\$63,093,441	12,138,179	\$86,369,626
Vegetables, frozen					\$498,283	\$7,996,688	4,834,755	\$3,660,216
Wheat for alcohol		\$800,000	\$21,900,000					\$22,700,000
Wheat for feed		\$5,900,000	\$81,100,000	\$96,600,000	\$53,800,000	\$1,032,023	19,713	\$238,412,310
Total subsidy programs		\$18,300,000	\$145,455,694	\$390,064,068	\$741,659,713	\$845,102,114	22,364,160	\$2,108,217,429
Other programs:								
Ammonium nitrate					45,958	174,148	\$11,857	208,249
Barley		4,606	10,590	143,440	\$16,943	\$464,482	694,627	\$371,838
Beans and peas, dry edible				\$160,665	\$2,538	\$19,562	803	\$181,962
Castor beans			\$3,521		\$167,555	3,373		\$167,703
Corn	\$20,078,488	\$9,478,707	\$4,461,707	\$810,976	\$7,268,333	\$7,236,315	\$6,013,251	\$27,226,590
Cotton	\$27,401,798	63,334,939	25,525,792	27,373,731	22,940,882	79,152,962	46,536,525	\$237,463,033
Cotton, Puerto Rican					\$12,130	\$113,881	\$4,187	\$130,198
Cotton, American-Egyptian, Sea Island				\$156,121	\$151,153	\$533,605	37,023	\$1,501,550
Cotton, Egyptian					\$4,548,868	\$869,325	457,029	\$5,875,222
Cotton, export					\$2,951,507	\$31,798,547	\$19,225,915	\$53,975,969
Cotton, rubber barter		\$11,090,907		\$35,456				\$11,055,451
Cotton, burlap and jute fabrics			2,769		3,586	\$47,959		\$41,604
Cotton, lint				\$1,283,411	\$158,314	\$150,796	237	\$1,592,783
Cotton, supply							24,628	\$24,628
Dairy animals			\$115,672	\$537,168	\$2,856	112	104	\$655,688
Eggs						\$224,002	423,602	\$199,600
Feed for Government facilities					460	\$1,283	1,284	\$1,284
Flax, fibers							\$122,636	\$122,636
Flaxseed			\$140	\$257	\$21,712	\$200	2,727	\$19,482
Foreign commodities			\$1,152,771	\$23,856,582	\$4,201,034	\$8,421,457	20,414,919	\$47,338,253
General commodities purchases							\$161,915,684	\$161,915,684
General supply							26,438,161	\$26,438,161
Grain bins				\$13,148,494	\$4,782,843	\$7,843,899	721,069	\$19,366,369
Grain sorghums			2,555	\$1,424	\$61,138	\$706,593	\$24,614	\$624,820
Hemp and milkweed floss				\$329,072	\$11,865,448	\$8,125,482	\$1,257,169	\$21,577,171
Hops	\$162,036	\$799,011			6,847			\$954,200
Idle farm machinery						16		\$16
Livestock procurement						\$22,186	92,821	\$115,007
Milk, dried							\$12,487	\$12,487
Molasses							23,674	\$23,674
Naval stores	\$4,435,579	27,014	430,747	3,962,806	\$1,084,011	493,283	\$1,460	\$1,561,822
Oats				26,512	\$9,212	\$740,224	532,030	\$1,289,554
Peanuts					\$386,055		727,481	\$341,426
Peanut equipment							\$376,110	\$376,110
Peanut seed notes							39,816	\$39,816
Pecans			\$3,751					\$3,751
Potatoes, white				\$3,467,589	\$12,958,355	\$8,771,278	\$60,091,288	\$85,288,510
Potatoes, sweet							95	\$95
Raisins		\$111,337			\$1,848			\$109,489
Rye	\$4,575	29,489	\$51,582	\$251,395	\$139,824	\$113,897	24,958	\$223,758
Seeds, miscellaneous			\$597,945	944	\$263,966	\$429,163	\$23,061	\$1,313,191
Sorgho			\$59,309	\$6,615				\$66,014
Soybeans							2,741,090	\$2,741,090
Soybean oil					\$31,179	\$10,406	67,494	\$88,267
Spruce logs, Alaska			\$22,522		\$2,368,061	\$270,255	\$21,865	\$2,143,093
Tobacco	\$2,107,689	\$12,099	\$96,895	\$7,395,210	\$2,349,554	\$1,617,865	\$596,186	\$9,742,232
Vegetables, canned						\$6,888	12,831	\$5,743
Wheat	\$6,199,460	\$5,089,029	\$28,505,494	\$28,412,822	\$16,947,002	\$23,157,655	\$17,517,267	\$22,710,161
Wheat, export					\$993,084	\$216,361	618	\$1,210,063
Women's land army					\$41,323			\$41,323
Wool	\$176			\$569,225	\$1,086,068	\$14,178,870	\$33,484,669	\$49,319,008
Unallocated						\$11,134	\$470,532	\$481,666
Total other programs	\$60,389,701	69,174,830	47,912,142	18,282,947	\$35,184,774	66,002,203	170,929,643	276,727,290
Total gains and losses from program operations	\$100,389,701	\$60,874,830	\$97,543,652	\$371,781,121	\$776,844,487	\$779,099,911	\$193,293,803	\$1,831,498,139

1 Loss

2 Estimated.

3 Included gain of \$794,100 reported by Office of Foreign Contract Settlement in 1946.

4 Includes gain of \$178,697,602 carried as Special Reserves—General Commodities Purchase Program as of June 30, 1946, and transferred to income in May of 1947.

TABLE NO. 3.—*Exportation and domestic consumption of agricultural commodities—expenditures by commodity groups and projects, fiscal years 1936-47*

	1936	1937	1938	1939	1940	1941	1942	1943	1944	1945	1946 ¹	1947 ¹	Total
Cotton:													
Stamp plan					\$40,000	\$2,725,000	\$3,450,000						\$6,215,000
Supplemental plan						17,802,000							17,802,000
Purchases	\$3,331,325		\$926,837	\$1,347,039	13,563,350	26,902,710	1,346,020		\$140				47,417,421
Export				17,335	35,636,762	6,180,713	6,363,091				\$15,840,377	\$33,370,968	97,409,246
Diversion	728,653	\$6,836	133,829	530,057	232,290	398,518	1,078,933	\$6,475,490	1,319,496	\$273,764	3,264,724	1,688,645	16,131,244
Total	4,059,978	6,836	1,060,666	1,894,431	49,472,402	54,008,941	12,238,044	6,475,490	1,319,636	273,764	10,105,101	35,050,613	184,974,911
Dairy:													
Stamp plan				39,453	3,010,000	10,272,000	10,323,000	2,544,000					26,188,453
Purchases		368,386	5,876,612	38,932,498	14,060,014	2,472,891	15,187,386	1,265,537	3,610,624				81,773,948
Export				23,955	121,179								145,134
Diversion					693,027	2,110,829	3,869,232	6,573,436					13,246,524
Total		368,386	5,876,612	38,995,906	17,884,220	14,855,720	20,379,618	10,382,973	3,610,624				121,354,059
Fruits:													
Stamp plan				35,926	2,453,000	11,026,000	17,657,000	6,330,000					37,501,926
Purchases	2,182,843	6,110,183	16,739,000	10,910,314	22,757,863	21,741,880	12,216,226	5,509,079	1,242,780	3,069,212	787,496	28,295	103,295,171
Export		514	19,151	39,377	59,475								118,517
Diversion	256,438	179,525	571,894	866,182	286,759	232,938	93,898						2,487,634
Total	2,439,281	6,290,222	17,330,045	11,851,799	25,557,097	33,000,818	29,967,124	11,839,079	1,242,780	3,069,212	787,496	28,295	143,403,248
Grain:													
Stamp plan				12,670	2,916,000	13,800,000	21,896,000	10,939,000					49,563,670
Purchases	5,610,046	422,178	13,734,001	9,107,360	30,263,103	4,213,088	3,042,279	1,541,825	945				67,934,825
Export	154,261	231,112	78,961	9,116,007	11,115,141	4,465,971	4,217,037	6,656,673	1,313,993	4,154,712	3,740,075		45,213,943
Diversion					8,034								8,034
Total	5,764,307	653,290	13,812,962	18,236,037	44,302,278	22,479,059	29,155,316	19,137,498	1,314,938	4,154,712	3,740,075		162,750,472
Meats:													
Stamp plan					4,715,000	26,602,000	11,786,000						43,103,000
Purchases		107,229			20,960,708	4,123,363	2,435,175	440,000	367,194				28,442,729
Export					141,620								141,620
Total		107,229			25,826,388	30,725,363	14,221,175	440,000	367,194				71,687,349
Nuts:													
Purchases		139,682	180		206,827	311,605	977,393	1,450,014					3,085,701
Export	697,715	64,625	753,861	544,371	158,221								2,799,793
Diversion	898,023	759,053	3,113,295	653,876	1,742,938	8,895,202	1,315,709	279,837					17,657,933
Total	1,595,738	1,544,360	3,867,336	1,198,247	2,107,986	9,206,807	2,293,102	1,729,851					23,543,427
Poultry:													
Stamp plan				38,415	2,655,000	11,534,000	20,327,000	9,014,000					43,568,415
Purchases	198,604	2,136,766	1,726,868	532,134	12,834,520	3,213,263	5,650,967	2,881,850	5,883,402	3,072,033		10,700,000	48,830,407
Total	198,604	2,136,766	1,726,868	570,549	15,489,520	14,747,263	25,977,967	11,895,850	5,883,402	3,072,033		10,700,000	92,398,822
Tobacco:													
Export		3,881											3,881
Diversion	1,090,213	1,716,756	1,555,838	400,897			367,361	1,694,000	2,708,475				9,532,540
Total	1,090,213	1,720,637	1,555,838	400,897			367,361	1,694,000	2,708,475				9,537,421
Vegetables:													
Stamp plan				3,843	861,000	10,332,000	30,418,000	20,415,187					62,030,030
Purchases	1,707,599	1,365,684	6,632,906	5,429,351	2,769,886	12,496,852	4,609,469	1,268,944	3,688,430	2,961,179	6,732,268	20,613,935	70,276,523
Export											909,570	954,091	1,863,661
Diversion			1,309,768	33,164	54,577	1,895,744	366,956	213,932	2,715,394	233,489	857,708	4,714,231	12,304,963
Total	1,707,599	1,365,684	7,942,674	5,466,358	3,685,463	24,724,596	35,394,445	21,898,063	6,403,824	3,194,668	8,499,546	26,282,257	146,565,177
Miscellaneous:													
Purchases	6,517	983,970	570,928	1,089,743	758,072	8,896,903	3,503,456	626,453	239,269	19,599	66,614		16,761,524
Diversion	33,945	274,207	594,916	107,861	125,045	99,291	241,664						1,476,929
Total	40,462	1,258,177	1,165,844	1,197,604	883,117	8,996,194	3,745,120	626,453	239,269	19,599	66,614		18,238,453
School lunch²								975,334	25,777,837	41,067,410	50,474,990		118,295,571
Total	16,896,182	15,451,587	54,338,845	79,811,828	185,208,471	212,744,761	182,739,272	87,094,600	48,867,979	54,851,398	82,673,822	72,070,165	1,092,748,910

¹Obligations.²Cash payments only. Commodities purchased for school milk and lunch program shown under appropriate commodity head and not segregated as to distribution to school lunch or other authorized agencies.

Mr. WILLIAMS. Senate bill 1322, a bill to provide a Federal charter for the Commodity Credit Corporation which is now before the Senate, requires, in section 9, that "the Board of Directors shall consist of not less than 3 or more than 11 persons employed in the Department of Agriculture who shall be appointed by and hold office at the pleasure of the Secretary," in addition to the Secretary himself who is designated to serve as Chairman of the Board.

I have prepared an amendment, a copy of which is on the desks of Senators. This amendment requires that in addition to the Secretary of Agriculture being designated as Chairman of the Board, the Board of Directors of the

Corporation shall consist of four members who shall be appointed by the President and confirmed by the Senate. It is my contention that the nominations of members of the Board of Directors of this Corporation, upon whom such broad powers of administration are being conferred by Congress, should require Senate confirmation. I particularly urge that we incorporate this requirement in the bill in view of the fact that it is proposed under this legislation to confer upon this unknown Board of Directors the power to borrow money and pledge the security of the United States Government itself in the amount of \$4,750,000,000 in addition to transferring to their control the net

worth of the Corporation, which in itself exceeds \$500,000,000. There is nothing unusual in this procedure, since it is only a continuation of the same principles under which the Reconstruction Finance Corporation and other Government corporations operate. The laws with respect to all of them require that the Board of Directors must be confirmed by the Senate.

Perhaps the paramount reason for requiring Senate confirmation in appointments of trust is that the President of the United States, in selecting men to occupy such positions, will have greater regard for their character and fitness than he would otherwise have if no Senate confirmation were required.

Since under the Reorganization Act which the Congress passed during the Seventy-ninth Congress all corporations of this character are required to be chartered by the Congress, I believe that it would be dangerous to establish a precedent here today by making an exception to the rule that members of Boards of Directors of Government corporations be required to be confirmed by the United States Senate.

Another reason why I would require confirmation by the Senate of the Board of Directors of the Commodity Credit Corporation is to prevent a recurrence of recent unpleasant developments. Senators will recall that a few months ago the Commodity Credit Corporation and other Government procurement agencies, through their haphazard buying methods, intentionally or otherwise, had been charged with manipulating our commodity markets. At that time it was difficult or impossible for the investigators to determine who in the Commodity Credit Corporation was responsible for the leaks on buying schedules which occurred or which official was charged with the responsibility of conducting their buying programs. My amendment would place a greater responsibility upon the President and upon the United States Senate to see to it that men of the highest character and ability are appointed to these offices. I know of no other way under the functions of our Government whereby we can insure that this will be done other than by the power of confirmation by the Senate, with instructions that these men must make an annual report to Congress of their operations.

Mr. President, I ask that this amendment be accepted.

Mr. AIKEN. Mr. President, it is my understanding that the amendment offered by the Senator from Delaware on behalf of himself and his colleagues leaves the way clear for the Board of the Commodity Credit Corporation to be chosen from among officials of the Department of Agriculture, although requiring them to be designated by the President and confirmed by the Senate. I do not believe that this will hamper the work of the Commodity Corporation. I believe that most, if not all, the members of the Board should be chosen from the Department of Agriculture, because the very nature of their work requires them to be familiar with practically all the work of the Department of Agriculture. Furthermore, members of the Board are under the direction of the Secretary, according to this amendment, at such times as they are not employed in Commodity Credit Corporation work. I see no seriously harmful effects upon the Commodity Credit Corporation work through the adoption of this amendment. However, I ask the Senator from Delaware if he would agree to a six-member Board besides the Secretary of Agriculture, rather than a four-member Board. The reason is that the Board members must be familiar with so many different branches of work. They must have full knowledge of the price-support program, of surpluses, and of shortages. They must know about the production goals

which have been laid down. They must be familiar with the marketing quotas. They must deal with the school-lunch program. They must decide how to spend section 32 funds, and also must be familiar with both domestic and foreign requirements. It seems to me that a little larger Board than a four-member Board and the Secretary could perform these functions much better. I wonder if the Senator would be willing to modify his amendment to that extent. At the present time the Board consists of nine members, all officers or employees of the Department of Agriculture.

Mr. WILLIAMS. Mr. President, I am not free to accept the suggestion of the Senator from Vermont, because some of the Senators who joined me in this amendment and who were most insistent that the board consist of five members are not in the Chamber at this time. Therefore I could not agree to the modification of the amendment. The bill will have to go to the House. Perhaps some change could be made there. We could even let the bill go through with a five-member board, and if we found that it did not work, the law could be amended later.

The Senator from Vermont raised this same question a short time ago. I asked the Library of Congress to check back and see how many members had been on the previous boards. While it is true that there are now nine members of the board, it is also true that during 1940, 1941, 1942, 1943, 1944, and 1945 this Corporation operated with a membership of only five directors. If the board could operate with five members during that 6-year period, four of which were war years, when the Secretary of Agriculture had the power to enlarge the board if he had seen fit, I do not see any reason why, in postwar years, the board cannot operate with the same sized membership.

I should like to see the Senator from Vermont withhold his request and accept this amendment, which provides for a membership of four in addition to the chairman, making a total of five, giving the Department of Agriculture the same number of directors with which the board operated during the 6-year period mentioned. It is only recently that the membership has been raised to nine. I think we could at least try to operate on that basis.

Mr. AIKEN. The reason I made the suggestion was that I believe that the duties of the Commodity Credit Corporation are rather more diverse now, with the various relief programs in effect, than they were even during the war years.

I agree with the Senator that the Commodity Credit Corporation probably could function with either a five-man or a seven-man Board of Directors. However, realizing that this bill is likely to go to conference with the House of Representatives, I wish to make sure that the Senate provides for a sufficient number of directors so that if the bill goes to conference and if the conferees on the part of the House insist upon having only three directors, the Senate conferees will still have some grounds on which to reach a satisfactory agreement.

Mr. WILLIAMS. Mr. President, if we in the Senate wish to have five members

of the Board of Directors, I hardly see any necessity for providing for a greater number in the bill as we pass it, so that later we shall be able to split the difference with the House of Representatives. If we wish to have five directors, I think we should provide for five. During the War, the Commodity Credit Corporation surely had more duties than it has now. If it could operate during the war period with five directors, certainly there is no reason in the world why it cannot operate with five directors today.

The PRESIDING OFFICER. Does the Senator from Vermont desire to offer an amendment to the modified amendment?

Mr. AIKEN. I think we should obtain the consensus of opinion of the Senators now present. Certainly I would not suggest the absence of a quorum or call for a yea-and-nay vote, but I move to modify the amendment by having it provide for six directors, instead of four. I ask for a rising vote on that question.

The PRESIDING OFFICER. The appropriate terms of the amendment would also have to be changed in order to conform with the Senator's motion.

Mr. AIKEN. Yes; I include in my motion any changes in the amendment which may be appropriate and necessary.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Vermont for the further modification of amendment C of the Senator from Delaware. [Putting the question.]

The "noes" appear to have it.

Mr. MORSE. I ask for a division.

On a division, the motion was rejected.

The PRESIDING OFFICER. The question now occurs on agreeing to the modified amendment C, as offered by the Senator from Delaware [Mr. WILLIAMS]. The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

Mr. BYRD. Mr. President, on behalf of the Senator from Delaware [Mr. WILLIAMS] and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, in line 18, after the word "name", is it proposed to insert "until June 30, 1960."

Mr. BYRD. Mr. President, I should like to state the purpose of the amendment.

Mr. AIKEN. Mr. President, may the amendment be restated?

The PRESIDING OFFICER. The amendment will be restated.

The Chief Clerk again read the amendment.

Mr. AIKEN. Mr. President, that amendment will be all right. As I understand it, it will extend the life of the corporation for 12 years, which will correspond to the length of life given the RFC in its charter.

Mr. BYRD. Mr. President, the purpose of the amendment is, instead of making the charter a perpetual one, as the pending bill now provides, to give the charter a life of 12 years, and to put it in the same class as the charter of the Reconstruction Finance Corporation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia for himself and the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

Mr. BYRD. Mr. President, on behalf of the Senator from Delaware [Mr. WILLIAMS] and myself, I offer the amendment which I now send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. Beginning with line 3 on page 6, it is proposed to strike out all down to and including line 11 on page 7, and insert the following:

SEC. 5. Limitations on authority: (a) The Corporation shall be limited in the exercise of the powers conferred upon it by this act to—

(1) Supporting the prices of agricultural commodities through loans, purchases, payments, and other operations.

(2) Making available materials and facilities required in connection with the production and marketing of agricultural commodities.

(3) Procuring agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

(4) Removing and disposing of or aiding in the removal or disposition of surplus agricultural commodities.

(5) Increasing the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(6) Exporting or causing to be exported, or aiding in the development of foreign markets for, agricultural commodities.

(7) Carrying out such other operations as the Congress may specifically authorize or provide for.

(b) The Corporation shall not exercise any of the powers conferred upon it by this act to carry out any program unless such program is provided for in its annual budget program submitted to Congress pursuant to the Government Corporation Control Act.

Mr. BYRD. Mr. President, the purpose of this amendment is to make it clear that this charter does not increase in any way the authority or power of the Commodity Credit Corporation and, furthermore, that it does not conflict with the provisions of the so-called Byrd-Butler Reorganization Act of the Corporation.

Mr. AIKEN. Mr. President, the amendment simply revises the language of the first paragraph of section 6, which specifically defines the powers of the Commodity Credit Corporation. The amendment is in line with what the committee intended. If there is doubt about the intent of the committee language in the first paragraph of section 6, the language proposed by the Senator from Virginia is acceptable to me, although I cannot speak for the full committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia for himself and the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

Mr. BYRD. Mr. President, on behalf of the Senator from Delaware [Mr. WILLIAMS] and myself, I offer the amend-

ment which I now send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 14, it is proposed to strike out lines 7 to 20, inclusive; and in the committee amendment on page 14, in line 21, it is proposed to change the section number from 19 to 18.

Mr. BYRD. Mr. President, this amendment would strike out section 18 on page 14. Section 18 permits the pooling of the administrative expenses of the Department of Agriculture and the Commodity Credit Corporation. I do not think a charter is any place in which to write legislation of that character. Furthermore, if that provision of the bill were adopted, it would deprive the Appropriations Committee of the power to allocate expenses as between the Department of Agriculture and the Commodity Credit Corporation.

Mr. AIKEN. Mr. President, I cannot vote for the amendment proposed by the Senator from Virginia. The purpose of section 18, as written into the bill, is to provide a certain degree of latitude for the Commodity Credit Corporation in handling its accounts. It would obviate the necessity of setting up different book-keeping accounts for the particular hours of the day different men work on the affairs of the Commodity Credit Corporation or on the affairs of some division of the Department of Agriculture. I agree that the amendment, if adopted, probably would not terribly cripple the work of the Commodity Credit Corporation, unless at some future time there might be an interpretation by some other agency of the Government as to how these books should be set up and carried. If the amendment then were in force, it would deprive the Commodity Credit Corporation of the latitude it would need in carrying on its work to the best advantage. I do not say that that ever would happen or that the Commodity Credit Corporation ever would require such latitude in respect to carrying on its activities in such a way.

The Treasury Department has no objection to the provisions of the amendment.

As I have said, I cannot vote for the amendment; but I should like to have the Members of the Senate who are present at this time vote on the question of its adoption. On that question, I shall vote "no."

Mr. BYRD. Mr. President, I merely wish to say that section 18 is opposed by the General Accounting Office, which often does give the power to pool such expenses. In many instances, the General Accounting Office has given that authority, and it has authority to approve it. But I do not think such power should be provided in this way.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Virginia for himself and the Senator from Delaware [Mr. WILLIAMS].

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be proposed?

If there are no further amendments, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That this act may be cited as the "Commodity Credit Corporation Charter Act."

SEC. 2. Creation and purposes: For the purpose of stabilizing, supporting, and protecting farm income and prices, assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as "agricultural commodities"), and facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to be known as the Commodity Credit Corporation (hereinafter referred to as the "Corporation"), which shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general direction and control of the Secretary of Agriculture (hereinafter referred to as the "Secretary").

SEC. 3. Offices: The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business.

SEC. 4. General powers: The Corporation—
(a) Shall have succession in its corporate name until June 30, 1960.

(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.

(c) May sue and be sued, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district court of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction of all suits brought by or against the Corporation: *Provided*, That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit against the Corporation shall be allowed unless it shall have been brought within two years after the right accrued on which suit is brought. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this Act, the Federal Tort Claims Act (Public Law 601, 79th Cong.) shall be applicable to the Corporation.

(d) May adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised.

(e) Shall have all the rights, privileges and immunities of the United States, including, but not limited to, the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors, and immunity from the imposition of court costs, fees, and charges, from the allowance of interest on claims and judgments, and from State and local statutes of limitations on suits, actions, or proceedings. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding.

(f) Shall be entitled to the use of the United States mails in the same manner and upon the same conditions as the executive departments of the Federal Government.

(g) May enter into and carry out such contracts or agreements as it deems necessary or desirable in the conduct of its business. The Corporation may, whenever it deems it necessary or desirable in the conduct of its business, consent to the modification of any term or condition of any contract or agreement of any kind to which it is a party. State and local regulatory laws or rules shall not be applicable with respect to contracts or agree-

ments of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements.

(h) May in any manner acquire, hold, and dispose of such real and personal property or any interest therein as it deems necessary or desirable in the conduct of its business.

(i) May borrow money subject to any provision of law applicable to the Corporation. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power under the act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations, evidencing loans made by such agencies under the Corporation's programs.

(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid.

(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers.

(l) May make such loans and advances of its funds as it deems necessary or desirable in the conduct of its business.

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

Beginning with line 3 on page 6, strike out all down to and including line 11 on page 7 and insert the following:

SEC. 5. Limitations on authority: (a) The Corporation shall be limited in the exercise of the powers conferred upon it by this act to—

(1) Supporting the prices of agricultural commodities through loans, purchases, payments, and other operations.

(2) Making available materials and facilities required in connection with the production and marketing of agricultural commodities.

(3) Procuring agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

(4) Removing and disposing of or aiding in the removal or disposition of surplus agricultural commodities.

(5) Increasing the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(6) Exporting or causing to be exported, or aiding in the development of foreign markets for, agricultural commodities.

(7) Carrying out such other operations as the Congress may specifically authorize or provide for.

(b) The Corporation shall not exercise any of the powers conferred upon it by this act to carry out any program unless such program is provided for in its annual budget program submitted to Congress pursuant to the Government Corporation Control Act.

SEC. 6. Existing statutes applicable to the Corporation: The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the Corporation. Commodity Credit Corporation, a Delaware corporation, shall cease to be an

agency of the United States as provided in section 7 (a) of the act of January 31, 1935, as amended (15 U. S. C., 1940 ed., Supp. V, 713 (a)).

SEC. 7. Capital stock: The Corporation shall have a capital stock of \$100,000,000, which shall be subscribed by the United States. Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this act. The Secretary is hereby authorized and directed to receive such stock and to exercise, on behalf of the United States, any and all rights of the United States arising out of the ownership of such stock. The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury, pursuant to the act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

SEC. 8. Funds: The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it.

SEC. 9. Directors: The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the "Board"), subject to the general direction and control of the Secretary who shall be a director and serve as Chairman of the Board. The Board shall consist of four members (in addition to the Secretary), who shall be appointed by the President, by and with the advice and consent of the Senate. Each appointed member of the Board shall receive compensation at the rate of \$10,000 per annum and shall hold office for a term of 4 years, except that (a) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term, and (b) the terms of office of members first taking office after the date of enactment of this act shall expire, as designated by the President at the time of appointment, one at the end of 1 year, and one at the end of 2 years, one at the end of 3 years, and one at the end of 4 years, after the date of enactment of this act. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at the rate of \$10,000 per annum, except that any such member who holds another office or position under the Department of Agriculture the compensation for which exceeds such rate may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section.

SEC. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bonds or bonds. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 ed., 661).

SEC. 11. Cooperation with other governmental agencies: The Corporation, may with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis; the officers, employees,

services, facilities, and information of any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivision thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation, be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, in the performance of any part or all of the functions of such agency.

SEC. 12. Utilization of associations and trade facilities: The Corporation may, in the conduct of its business, utilize on a contract or fee basis, privately owned and operated plants and facilities, committees or associations of producers, producer-owned and producer-controlled cooperative associations, shall to the fullest extent practicable utilize existing trade channels for the marketing, sale, and distribution of such agricultural commodities.

SEC. 13. Records; annual report: The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary a complete report as to the business of the Corporation, a copy of which shall be forwarded by the Secretary to the President for transmission to the Congress.

SEC. 14. Interest of Members of the Congress: The provisions of section 1 of the act of February 27, 1877, as amended (41 U. S. C., 1940 ed., 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 15. Crimes and offenses—

FALSE STATEMENTS; OVERVALUATION OF SECURITIES

(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another, money, property, or anything of value, under this act, or under any other act applicable to the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment by not more than 5 years, or both.

EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION

(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (i) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (ii) with intent to defraud the Corporation, or any other body, politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment; or decree thereof; or (iii) with intent to defraud the Corporation, participates or shares in, or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine of

not more than \$10,000 or by imprisonment for not more than 5 years, or both.

LARCENY; CONVERSION OF PROPERTY

(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

GENERAL STATUTES APPLICABLE

(c) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the act of March 4, 1909, as amended (18 U. S. C., 1940 ed., 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

Sec. 16. Transfer of assets of Commodity Credit Corporation, a Delaware Corporation: The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation.

Sec. 17. Dissolution of Delaware corporation: The Secretary, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

Sec. 18. Effective date: This act shall take effect on July 1, 1948.

PATENT IN FEE TO GROWING FOUR TIMES

The PRESIDING OFFICER (Mr. Ives in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 603) authorizing and directing the Secretary of the Interior to issue a patent in fee to Growing Four Times, which was, in line 10, after "meridian" to insert "*Provided*, That when the land herein described is offered for sale, the Fort Peck Tribe or any Indian who is a member of said tribe shall have 90 days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase."

Mr. BUTLER. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

PATENT IN FEE TO CLAUDE E. MILLIKEN

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 714) authorizing the Secretary of the Interior to issue a patent in fee to Claude E. Milliken, which were, in line 11, to strike out "half, northwest half" and insert "half of the northwest quarter"; and in line 13, after "acres", to insert "*Provided*, That when the land herein described is offered for sale, the Crow Tribe or any Indian who is a member of said tribe shall have 90 days in which to execute preferential rights to purchase said tract at a price offered to the seller by a prospective buyer willing and able to purchase."

Mr. BUTLER. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

AMENDMENT OF TARIFF ACT OF 1930 RELATING TO FIREWOOD AND OTHER WOODS—AUTHORIZATION TO MAKE CERTAIN CORRECTIONS IN ENROLLMENT OF BILL

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 188, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States be, and he is hereby, requested to return to the House of Representatives the enrolled bill (H. R. 5328) to amend paragraph 1803 (2) of the Tariff Act of 1930, relating to firewood and other woods; that if and when the said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing the said bill be deemed to be rescinded; and that the Clerk of the House be, and he is hereby, authorized and directed in the reenrollment of the said bill, to make the following correction, namely, strike out "handled bolts" and insert in lieu thereof "handle bolts."

Mr. WHERRY. I move that the Senate concur in the concurrent resolution.

The motion was agreed to.

THE PRESIDENT'S CIVIL-RIGHTS PROGRAM

Mr. MORSE. Mr. President, I ask unanimous consent to have published in the body of the RECORD the proceedings of a meeting on the question, "Are Civil Rights a Reality in America?" The proceedings consist for the most part of a transcript of an extemporaneous speech which I delivered at a Brotherhood meeting held in East Orange, N. J., February 20, 1948.

There being no objection, proceedings were ordered to be printed in the RECORD, as follows:

THE PROGRAM ON CIVIL RIGHTS, HELD IN TEMPLE SHAREY TEFILO, EAST ORANGE, N. J., FEBRUARY 20, 1948

(Speech by Hon. WAYNE MORSE, United States Senator from Oregon. Chairman of meeting, Mr. George Stringfellow, vice president, Thomas A. Edison, Inc., West Orange, N. J.)

PROCEEDINGS

The meeting on civil rights convened at 9 o'clock p. m., February 20, 1948, in the Temple Sharey Tefilo, 57 Prospect Street, East Orange, N. J.; George E. Stringfellow, presiding.

Rabbi RANSON. I believe that we Jews and you Christians were doubly blessed in that we participated in this service in the spirit of brotherhood. A brotherhood program has

been prepared for this evening, the nature of which you are all acquainted with.

The chairman of this program is Mr. George E. Stringfellow, a neighbor of ours, and the man who is a very good friend of many in this congregation this evening. It is with a great sense of personal honor that I present him because we have always known George Stringfellow as a man of God and we are happy to have him in our pulpit to be in charge of our program.

But if it has always seemed to us that he is a man of God, it has seemed to me even more so in the last 10 years during which time he has come increasingly to spend his life in the works of charity. He has been giving himself for the holy work of aiding crippled children and in the holy work of fighting that dread enemy of mankind which we call "canegr."

And so, George, this congregation is turned over to you as the chairman of our brotherhood program. [Applause.]

Chairman STRINGFELLOW. Thank you, Rabbi Ranson, distinguished guests, friends, and neighbors; I am delighted to have a part in this very inspiring meeting. It has been my privilege to work or to have worked with your distinguished rabbi for a great many years. I have come to believe that he means as much to us Christians as he means to you Jews. Sometimes I think a little more.

He is a great citizen and he makes a great contribution to the welfare of our community. I don't know how we would get along without him. No one ever has any trouble getting along with him.

I now have the pleasure of presenting the Honorable Spencer Miller, Jr., New Jersey chairman of the National Conference of Christians and Jews. The Honorable Spencer Miller. [Applause.]

And now, Mr. Donald Garaehas, honorary chairman of this meeting last year. Most of you recall that last year's meeting was blizzarded out. We did a lot of work, and especially your honorary chairman, but we had such bad weather we wisely decided to postpone the meeting for a year. [Laughter.] The difference is that you have another chairman but the same speaker. [Laughter.]

I should now like to invite representatives, of the following veterans' organizations to the pulpit: Mr. Robert Bain, he is ex-county vice commander of the American Legion; Mr. John Bill, national service officer for the Disabled American Veterans; Mr. Albert Friedman, commander of the Oranges and Maplewood Post of the American Veterans Committee; Mr. William Langer, secretary of the American Veterans Committee; Mr. Angus MacNutt, he is ex-county commander of the Veterans of Foreign Wars; Mr. George Macallis—I hope that is correct—he is ex-county commander of the Jewish War Veterans; and Mr. George W. Milllean, State commander of the Spanish American War Veterans.

Will you gentlemen please seat yourselves in the front of the pulpit?

If you are comfortably seated, and I trust that you are, we will now open this meeting by singing our national anthem.

(The national anthem was sung.)

Chairman STRINGFELLOW. We in this brotherhood movement are united without regard to personal kinship, rank, profession, or religious belief. We are animated by the desire to live together in harmony.

The need of such a movement as ours, such a movement as we represent here tonight, was never more acute than now. Our movement is designed to produce good will. While there are many deficits in the world today, the greatest deficit in my opinion is good will.

Our movement is designed, at least in a small measure, to underwrite that deficit. Most of us in the good-will movement believe that our civilization can escape suicide by returning to the practice of faith in God and in man.

Belief in the fatherhood of God and the brotherhood of man is the basic foundation

2. AGRICULTURAL APPROPRIATION BILL. Concurred in the Senate amendment 1, to strike out the provision regarding appointment of persons at salaries above the regular rates (p. 8479). This bill will now be sent to the President.
3. TRADE AGREEMENTS. Concurred in Senate amendment to H.R. 6556, to extend until June 30, 1949, the authority for entering into trade agreements (pp. 8404, 8416). This bill will now be sent to the President.
4. C.C.C. CHARTER. The Rules Committee reported a resolution for the consideration of H.R. 6263, the CCC charter bill (pp. 8479-80, 8484).
5. FEDERAL PAY BILL. The Post Office and Civil Service Committee reported without amendment H.R. 6917, to increase salaries of Federal and D.C. employees (H. Rept. 2358) (p. 8483).
The Rules Committee reported a resolution for the consideration of this bill, H.R. 6917 (pp. 8480, 8484).
Rep. Hays, Ark., inserted and discussed an amendment which he proposes to submit to this bill, H.R. 6917, to provide for salary increases based on publication of the Consumers Price Index of the Bureau of Labor Statistics (p. 8482).
6. FEDERAL SECURITY SUPPLEMENTAL APPROPRIATION BILL, 1949. Received the President's veto message on this bill, H.R. 6355 (H. Doc. 714) (p. 8481). The message states that the objection to the bill is based on the transfer of the U.S. Employment Service from the Labor Department to the Federal Security Agency.
7. FATS AND OILS. Received from this Department a proposal for a CCC project for the stimulation and increase of production of copra and palm oil in the Netherlands Indies (p. 8483).
8. STRATEGIC MATERIALS. Rep. Jensen, Iowa, urged the stockpiling of strategic materials (pp. 8406-7).
9. CREDIT UNIONS. Passed with amendment S. 2225, to transfer administration of the Federal Credit Union Act to the Federal Security Agency (pp. 8418-9).
10. INTERIOR APPROPRIATION BILL, 1949. Reps. Jensen, Fenton, Stockman, Schwabe (Okla.), Kirwan, Norrell, and Gore were appointed conferees on this bill, H.R. 6705 (p. 8420). Senate conferees were appointed June 14.
11. SELECTIVE SERVICE. Began debate on H.R. 6401, the selective-service bill (pp. 8419-26, 8427-78).
12. VETERANS' HOMESTEADS. Rep. Rogers, Mass., urged that action be taken on H.R. 4488, the Veterans' Homestead Act (p. 8482).
13. R.F.C. AUDIT. Received from GAO Vol. 8 of the RFC audit report (H. Doc. 713) (p. 8483).
14. FLOOD CONTROL. The Public Lands Committee reported without amendment S. 1639, authorizing the repair and rehabilitation of irrigation works damaged by flood and the prevention of flood damage in the Fort Sumner irrigation district (H. Rept. 2354) (p. 8483).
15. STRATEGIC MATERIALS. The Judiciary Committee reported with amendments H.R. 4928, to amend the Contract Settlement Act so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical materials in cases of failure to recover reasonable costs (H. Rept. 2357) (p. 8483).

16. COMMODITY EXCHANGE. The Administration Committee ordered reported, but did not actually report, H.Res. 674, providing \$10,000 additional for the Select Committee to Investigate Transactions on Commodity Exchanges (p. D659).
 17. FARM PROGRAM. The Administration Committee ordered reported, but did not actually report, H.Res. 696, providing \$5,000 for the Agriculture Committee to make studies and investigations into matters relating to agriculture (p.D659).
 18. LANDS. The Public Lands Committee ordered reported, but did not actually report H.R. 6697, to authorize the sale and grant to the city of Los Angeles, Calif., of certain interests in public lands, and repealing a certain act (p.D659).
The Public Lands Committee ordered reported, but did not actually report, S. 1243, to pay to Confederated Tribes of the Warm Springs Reservation revenues from certain lands, including lands which are a part of the Mt. Hood National Forest (p. D659).
 19. DISASTER LOANS. A Subcommittee of the Public Works Committee approved for reporting to the full committee, with amendments, H.R. 6855, to coordinate emergency activities of Federal agencies in disaster areas and to provide emergency aid (p. D659).
 20. BUILDINGS AND GROUNDS. A subcommittee of the Public Works Committee approved for reporting to the full committee, with amendments, S. 1955, to acquire sites in preparation for Federal buildings generally (p. D659).
- SENATE
21. RECLAMATION. Passed as reported S. 299, to extend the reclamation laws to Ark. (p. 8493).
 22. FERTILIZER. Passed without amendment H. R. 5275, to provide for free importation of limestone for use in fertilizer manufacture (p. 8495). This bill will now be sent to the President. As finally passed, it does not contain the baler-twine provision.
 23. FOOD AND DRUG ADMINISTRATION. Passed without amendment H. R. 4071, to amend the Federal Food, Drug, and Cosmetic Act so as to authorize enforcement of the Act in cases of adulteration or misbranding of goods held for resale, and seizure of such goods not only while in interstate commerce but while being held for sale (p. 8496). This bill will now be sent to the President.
 24. VIRGIN ISLANDS. Passed as reported S. 1183, to incorporate the Virgin Islands Corp. (pp. 8498-9).
 25. Bills passed over included: S. 669, wheat bonus (p. 8492); S. Con. Res. 6, consolidated appropriation bill (p. 8493); H. R. 3538, drainage investigations (p. 8494); S.J.Res. 162, prohibit Indian reservations in Alaska, etc. (p. 8497).
 26. O&C LANDS. Passed as reported S. 580, to transfer certain O&C lands from the Forest Service to the Interior Department (pp. 8494-5).

CONSIDERATION OF H. R. 6263

JUNE 15, 1948.—Referred to the House Calendar and ordered to be printed

Mr. ALLEN of Illinois, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 680]

The Committee on Rules, having had under consideration House Resolution 680, report the same to the House with the recommendation that the resolution do pass.



House Calendar No. 262

80TH CONGRESS
2D SESSION

H. RES. 680

[Report No. 2362]

IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 1948

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

1 *Resolved*, That immediately upon the adoption of this
2 resolution it shall be in order to move that the House resolve
3 itself into the Committee of the Whole House on the State
4 of the Union for the consideration of the bill (H. R. 6263)
5 to provide a Federal charter for the Commodity Credit
6 Corporation, and for other purposes, and all points of order
7 against said bill are hereby waived. That after general
8 debate, which shall be confined to the bill and continue not
9 to exceed one hour, to be equally divided and controlled
10 by the chairman and ranking minority member of the
11 Committee on Banking and Currency, the bill shall be
12 read for amendment under the five-minute rule. At the

1 conclusion of the consideration of the bill for amendment,
2 the Committee shall rise and report the bill to the House
3 with such amendments as may have been adopted and the
4 previous question shall be considered as ordered on the bill
5 and amendments thereto to final passage without intervening
6 motion except one motion to recommit.

House Calendar No. 262

80TH CONGRESS
2^D Session

H. RES. 680

[Report No. 2362]

RESOLUTION

Providing for the consideration of the bill
(H. R. 6263) to provide a Federal charter
for the Commodity Credit Corporation, and
for other purposes.

By Mr. ALLEN of Illinois

JUNE 15, 1948

Referred to the House Calendar and ordered to be
printed

donate or sell their lands to the tribe or may exchange their lands for assignments of tribal lands within the project area. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, \$8,000, or so much thereof as may be necessary, for the purchase by the Secretary of the Interior, in the name of the United States of America in trust for the Shoshone-Bannock Tribes of the Fort Hall Reservation, of one hundred and eighty acres of non-Indian-owned land, with water rights and improvements appurtenant thereto, described as the north half southeast quarter southwest quarter section 13, township 4 south, range 34 east, Boise meridian, and south half northeast quarter and north half southeast quarter section 7, township 4 south, range 35 east, Boise meridian, located within the area excluded from the Fort Hall Indian Irrigation project by section 4 of this Act.

"SEC. 6. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of \$3,995 to compensate the following-named landowners, or their heirs, for work accomplished or for future work necessary in filling, leveling, and otherwise preparing for irrigation the abandoned portion of the old Fort Hall Main Canal within their holdings, in not to exceed the following amounts: Frank E. DeKay, \$401; Henry Jensen, \$633; Theodore H. Gathe, \$654; A. E. Albert, \$106; Ezra D. Wilson, \$127; J. M. Bistline, \$378; Ambrose H. McGuire, \$424; Ellen Griffith, \$412; C. M. Allen, \$116; Olive A. Granden, \$184; William Webster, \$28; Hiram Faulkner, \$114; Williamette Blakeslee, \$298; Frank Parker, \$99; and Henrietta C. Blakeslee, \$21.

"SEC. 7. Pending the construction of a siphon to provide gravity flow water to ninety-six and six-tenths acres of irrigable lands in the southwest quarter section 27, and east half section 28, township 5 south, range 34 east, Boise meridian, Idaho, which lands have been irrigated by pumping operations over a period of years, the Secretary of the Interior may accept the conveyance by the landowners of the pumping equipment for use of the Fort Hall Indian Irrigation project and may operate such equipment as a part of said project in order to provide water for the irrigation of such lands; the acceptance of such conveyance being subject to the owners of the lands executing releases to the United States of any and all claims whatsoever due to the pumping operations carried on by such landowners.

"SEC. 8. The Secretary of the Interior is authorized, in his discretion, to revise and reform, upon such terms and conditions as he may determine to be fair and equitable in all the circumstances affecting the interests of the United States and the contractors, existing contracts between the United States and the Idaho Irrigation District, the Progressive Irrigation District, and the Snake River Valley Irrigation District in Idaho, which contracts provide for certain payments by the districts to the United States for the benefit of works of the Fort Hall Indian Irrigation project.

"SEC. 9. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, for refunds to Indians, or their heirs, the sum of \$1,419.55, representing irrigation assessments of the Fort Hall Indian Irrigation project erroneously made and collected, as follows: Andrew F. Cutler, \$153.80; Alice Sorrell Johns, \$168.95; Nettie Stinson LaVatta, \$146.62; Earl Edmund Cutler, \$159.20; Charles Faulkner, \$145.25; Josephine LaVatta Rumas, \$155.20; May Phyllis LaVatta Brower, \$29.90; Leonard I. Cutler, \$135.85; Effie Diggle Houtz, \$122.75; Lucy Yandell Spencer, \$25; Charles Gerard Cutler, \$121.53; and Hattie Sorrell Siler Tillotson, \$55.50.

"SEC. 10. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary for the relocating, rehabilitating, cleaning, and extending of irrigation systems serving the lands irrigated from Ross Fork, Bannock, and Lincoln Creeks, which lands are outside of the Fort Hall Indian irrigation project, including the construction of a storage reservoir on Bannock Creek. The costs of any work benefiting Indian lands performed pursuant to this authorization shall be apportioned on a per acre basis and collected under laws applicable to Indian irrigable lands on the Fort Hall Indian irrigation project. Operation and maintenance charges against such lands shall likewise be subject to the same laws, rules, and regulations as apply to Indian lands on the Fort Hall project. Any unpaid charges against such lands shall be subject to a first lien as provided in the act of March 7, 1928 (45 Stat. 200, 210). No expenditure shall be made under this authorization which will benefit lands in non-Indian ownership unless the owners thereof execute contracts providing for the repayment of their proportionate per acre share of the costs of the work assessable against their lands.

"SEC. 11. In order to prevent the accumulation of delinquent project assessments or other charges against the non-Indian-owned lands of the Fort Hall Indian irrigation project, the Secretary of the Interior is hereby authorized and directed to cause liquidation of all delinquent assessments or charges by taking such action as may be necessary, including the foreclosure of the Government's lien covering any such delinquent charges or by initiating such other procedure as may be legally available, which action may be taken by him at any time when in his judgment the best interests of the project would be served thereby.

"SEC. 12. All Act or parts of Acts inconsistent herewith are hereby repealed."

And the Senate agree to the same.

RICHARD J. WELCH,
WESLEY A. D'EWART,
JOHN SANBORN,
J. HARDIN PETERSON,
JOHN R. MURDOCK,

Managers on the Part of the House.

ARTHUR V. WATKINS,
HENRY C. DWORSHAK,
JOSEPH C. O'MAHONEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5416) to promote the interests of the Fort Hall Indian Irrigation project, Idaho, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment, namely:

The text of the Senate amendment was designed to accomplish the same results as the provisions of the bill as it passed the House, hence the conferees adopted the language of the bill as it passed the House. It was agreed that the text of the House bill sets forth more clearly what was intended than what was contained in the Senate amendment.

RICHARD J. WELCH,
WESLEY A. D'EWART,
JOHN SANBORN,
J. HARDIN PETERSON,
JOHN R. MURDOCK,

Managers on the Part of the House.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communi-

cated to the House by Mr. Nash, one of his secretaries.

DEPARTMENT OF AGRICULTURE APPROPRIATION BILL

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5383) making appropriations for the Department of Agriculture—exclusive of the Farm Credit Administration—for the fiscal year ending June 30, 1949, and for other purposes, and concur in Senate amendment No. 1, the only amendment in disagreement. This has the unanimous concurrence of the subcommittee.

The Clerk read the title of the bill.

The Clerk read as follows:

Senate amendment No. 1: Page 3, strike out all after line 24 down to and including line 6 on page 4.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ATOMIC ENERGY COMMISSION

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 679, Rept. No. 2361) which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6402) to provide for extension of the terms of office of the present members of the Atomic Energy Commission. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Joint Committee on Atomic Energy, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

COMMODITY CREDIT CORPORATION

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 680, Rept. No. 2362), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6263) to provide a Federal charter for the Commodity Credit Corporation, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At

the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

ADDITIONAL COMPENSATION FOR POSTAL EMPLOYEES

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 631, Rept. No. 2363), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6916) to provide for permanent postal rates and additional compensation for postmasters and employees of the field service in the Post Office Department, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be considered as having been read for amendment, and no amendment shall be in order to said bill. At the conclusion of general debate, the committee shall rise and report the bill to the House, and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

INCREASE IN COMPENSATION FOR FEDERAL EMPLOYEES

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 682, Rept. No. 2364), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6917) to provide a temporary increase in the compensation of officers and employees of the Federal Government, and of the District of Columbia municipal government, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be considered as having been read for amendment, and no amendment shall be in order to the said bill. At the conclusion of general debate, the Committee shall rise and report the bill to the House, and the previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

AIR PARCEL-POST SERVICE

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 683, Rept. No. 2365), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself

into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6773, to provide for an air parcel-post service, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

NATIONAL FUEL POLICY

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 595, Rept. No. 2366), which was referred to the House Calendar and ordered to be printed:

Whereas it appears that current and anticipated shortages of petroleum products threaten the present and future economy and security of the people of the United States; and

Whereas such shortages must be considered in the light of the availability of other fuels and energy resources; and

Whereas, in order to deal effectively with the problem of making petroleum and other fuels available in quantities adequate for an expanding economy and for the security of the United States, it is necessary to formulate sound national policies; Therefore be it

Resolved, That it shall be the duty of the Committee on Interstate and Foreign Commerce to formulate and recommend a national fuel policy adequate to meet the needs of the United States in times of peace and war, including recommendations for a national petroleum policy and the integration of such policy with policies relating to other fuels and energy resources except atomic energy; and for such purposes the committee shall study the current and future fuel supply and demand of the United States and shall study methods of encouraging needed developments to assure the availability of fuels adequate for an expanding economy and the security of the United States.

SEC. 2. The committee shall make a report not later than the close of the present Congress. Such report may be made to the Clerk of the House if the House is not in session.

SEC. 3. For the purpose of carrying out the provisions of this resolution, the committee, or any subcommittee thereof—

(1) Is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether or not the House is in session, has adjourned, or has recessed, to hold such hearings, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, correspondence, memoranda, papers, and documents, and to take such testimony, as it deems necessary; and subpoenas shall be issued over the signature of the chairman of the committee or by any member designated by him, and may be served by any person designated by such chairman or member;

(2) May utilize the services, information, facilities, and personnel of the various departments and agencies of the Government to the extent that such services, information, facilities, and personnel, in the opinion of such departments and agencies, can be fur-

nished without undue interference with the performance of the work and duties of such departments and agencies;

(3) May seek information from such sources and conduct its studies and investigations in such manner as it deems advisable in the interest of a full and correct ascertainment of the facts.

JOSEPH P. KAMP

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following privileged resolution (H. Res. 495, Rept. No. 2337), which was referred to the House Calendar and ordered to be printed:

Resolved, That the citation heretofore voted by the Special Committee To Investigate Campaign Expenditures, 1944, Seventy-eighth Congress, second session, for contempt against Joseph P. Kamp, vice chairman of the Constitutional Educational League, Inc., be, and the same hereby is, rescinded for the following reasons:

1. Said citation was not the legal act of the said committee for the reason that information necessary to said committee and to each member thereof for their consideration was withheld from them.

Certain of said withheld and necessary information was improperly deleted from the official printed record of the hearings without the knowledge of any member of said committee and, therefore, was not available to the members of said committee at the time they considered the matter and took action resulting in voting a citation for contempt.

Certain of other withheld and necessary information was denied to some members of said committee who were refused answers to specific questions about information available to other members of the committee. Some of this same withheld and necessary information was deliberately kept from the knowledge and consideration of a majority of the members of the said committee.

2. Said citation was not the legal act of the said committee for the reason that exhibits in evidence before the committee and necessary to said committee and to each member thereof for their consideration was withheld from them.

The said withheld necessary exhibits were illegally removed from the committee's files prior to the consideration of the matter by the committee and were not available to the members of the committee at the time they took final action resulting in voting a citation for contempt.

3. The said citation resulted in the indictment of the said Joseph P. Kamp, who was tried for criminal contempt of the Congress in the District Court of the United States for the District of Columbia in December 1946.

On behalf of the defense, the court issued a subpoena for one of the said withheld exhibits. Because the said withheld exhibit was not available in the files of the Clerk of the House of Representatives, where it legally belonged, having been removed without the knowledge of the committee or by the authority of the House, the defendant, the said Joseph P. Kamp, was prevented from presenting a full defense and therefore was denied a fair trial.

4. The said Joseph P. Kamp is again to be tried under the said indictment which resulted from the said illegal act of the said committee. The said withheld exhibit, together with the other committee exhibits, were delivered to a representative of the American branch of an international propaganda movement, and the former chairman of the said committee has unsuccessfully attempted to have the said withheld exhibits returned to the Clerk of the House of Representatives and has written to the said Joseph P. Kamp, . . . "We have made another effort to secure the memorandum you desire.

Mr. REES: Committee on Post Office and Civil Service. H. R. 6916. A bill to provide for permanent postal rates and additional compensation for postmasters and employees of the field service in the Post Office Department; without amendment (Rept. No. 2358). Referred to the Committee of the Whole House on the State of the Union.

Mr. MICHENER: Committee on the Judiciary. Senate Concurrent Resolution 56. Concurrent resolution welcoming the Inter-American Bar Association to the United States for its conference in Detroit, Mich., in May 1949; without amendment (Rept. No. 2359). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 679. Resolution providing for consideration of H. R. 6402, a bill to provide for extension of the terms of office of the present members of the Atomic Energy Commission; without amendment (Rept. No. 2361). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 680. Resolution providing for consideration of H. R. 6263, a bill to provide a Federal charter for the Commodity Credit Corporation, and for other purposes; without amendment (Rept. No. 2362). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 681. Resolution providing for consideration of H. R. 6916, a bill to provide for permanent postal rates and additional compensation for postmasters and employees of the field service in the Post Office Department; without amendment (Rept. No. 2363). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 682. Resolution providing for consideration of H. R. 6917, a bill to provide a temporary increase in the compensation of officers and employees of the Federal Government and of the District of Columbia municipal government; without amendment (Rept. No. 2364). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 683. Resolution waiving points of order against H. R. 6773, a bill to provide for an air parcel-post service, and for other purposes; without amendment (Rept. No. 2365). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 595. Resolution to direct the Committee on Interstate and Foreign Commerce to recommend a national fuel policy; without amendment (Rept. No. 2366). Referred to the House Calendar.

Mr. ALLEN of Illinois: Committee on Rules. House Resolution 495. Resolution to rescind the citation for contempt against Joseph P. Kamp, vice chairman of the Constitutional Educational League, Inc.; without amendment (Rept. No. 2367). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JENNINGS: Committee on the Judiciary. S. 2217. An act conferring jurisdiction upon the Court of Claims of the United States to hear, determine, and render judgment upon the joint claims of Silas Mason Co., Inc.; Walsh Construction Co.; and Atkinson-Kler Co.; without amendment (Rept. No. 2347). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on the Judiciary. S. 2440. An act for the relief of Charles Duncan Montieith; without amendment (Rept. No. 2349). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 6923. A bill to authorize the Housing and Home Finance Administrator to make loans to provide housing accommodations for families in the Vancouver-Portland area deprived of their homes as a result of the flood disaster; to the Committee on Banking and Currency.

H. R. 6924. A bill to aid in the production of permanent housing in the Portland, Oreg.-Vancouver, Wash., area; to the Committee on Banking and Currency.

By Mr. ARNOLD:

H. R. 6925. A bill to provide for the construction of a post office at Kahoka, Mo.; to the Committee on Public Works.

H. R. 6926. A bill to provide for the construction of a post office at Milan, Mo.; to the Committee on Public Works.

H. R. 6927. A bill to provide for the construction of a post office at Princeton, Mo.; to the Committee on Public Works.

H. R. 6928. A bill to provide for the construction of a post office at Lancaster, Mo.; to the Committee on Public Works.

H. R. 6929. A bill to provide for the construction of a post office at Memphis, Mo.; to the Committee on Public Works.

H. R. 6930. A bill to provide for the construction of a post office at Shelbyville, Mo.; to the Committee on Public Works.

H. R. 6931. A bill to provide for the construction of a post office at Kirksville, Mo.; to the Committee on Public Works.

H. R. 6932. A bill to provide for the construction of a post office at Edina, Mo.; to the Committee on Public Works.

H. R. 6933. A bill to provide for the construction of a post office at Gallatin, Mo.; to the Committee on Public Works.

By Mr. GRANT of Indiana:

H. R. 6934. A bill to provide, in certain cases, that internal-revenue stamps may be affixed in foreign countries to tobacco products manufactured in such countries before importation into the United States; to the Committee on Ways and Means.

By Mr. TABER:

H. R. 6935. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1948, and for other purposes; to the Committee on Appropriations.

By Mr. GAMBLE:

H. R. 6936. A bill to provide for a temporary extension of title VI of the National Housing Act, as amended, with respect to mortgages of certain limited-dividend corporations; to the Committee on Banking and Currency.

By Mr. KEFAUVER:

H. R. 6937. A bill to amend the National Service Life Insurance Act of 1940 so as to authorize the renewal for an additional 8 years of 5-year level-premium term policies; to the Committee on Veterans' Affairs.

By Mr. GAMBLE:

H. R. 6938. A bill to amend the Internal Revenue Code for the purpose of providing a tax incentive for the production of additional rental housing, and for other purposes; to the Committee on Ways and Means.

By Mr. ROSS:

H. R. 6939. A bill to provide that certain courses under the Servicemen's Readjust-

ment Act of 1944, as amended, shall be pursued for vocational or occupational purposes; to the Committee on Veterans' Affairs.

By Mr. MARTIN of Iowa:

H. J. Res. 428. Joint resolution providing an extension of time for claiming credit or refund with respect to war losses; to the Committee on Ways and Means.

By Mr. REED of New York:

H. J. Res. 429. Joint resolution relating to the marital deduction, for estate-tax purposes, in the case of life insurance or annuity payments; to the Committee on Ways and Means.

By Mr. ROSS:

H. Res. 673. Resolution to investigate the feasibility of making insured loans to students; to the Committee on Rules.

By Mr. AUGUST H. ANDRESEN:

H. Res. 674. Resolution providing for the further expenses of the studies and investigations conducted by the select committee created by House Resolution 404, Eightieth Congress; to the Committee on House Administration.

By Mr. GAMBLE:

H. Res. 675. Resolution to provide funds for the expenses of the Joint Committee on Housing for the purpose of concluding its business; to the Committee on House Administration.

H. Res. 676. Resolution to provide further expenses of conducting the studies and investigation authorized by House Resolution 298, Eightieth Congress, incurred by the Committee on Agriculture; to the Committee on House Administration.

By Mr. SUNDSTROM:

H. Res. 677. Resolution for the relief of Evelyn Richardson; to the Committee on House Administration.

By Mr. CORBETT:

H. Res. 678. Resolution authorizing the printing of the volume entitled "The Democratic Way and the Totalitarian Way" as a House document; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. D'EWARD:

H. R. 6940. A bill authorizing the Secretary of the Interior to issue a patent in fee to Estella Wolfe; to the Committee on Public Lands.

H. R. 6941. A bill authorizing the Secretary of the Interior to issue a patent in fee to Mark Wolfe; to the Committee on Public Lands.

By Mr. FERNOS-ISERN:

H. R. 6942. A bill for the relief of the estate of the late Juana Mercado Valle; to the Committee on the Judiciary.

H. R. 6943. A bill for the relief of Hector Luis Melendez; to the Committee on the Judiciary.

H. R. 6944. A bill for the relief of Ignacio Colon Cruz; to the Committee on the Judiciary.

H. R. 6945. A bill for the relief of the estate of the late Ovidio Vazquez; to the Committee on the Judiciary.

By Mr. GAMBLE:

H. R. 6946. A bill for the relief of Winston A. Brownie; to the Committee on the Judiciary.

H. R. 6947. A bill for the relief of Daniel Kim; to the Committee on the Judiciary.

By Mr. HUBER:

H. R. 6948. A bill for the relief of George Cracutin; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 6949. A bill for the relief of Peter I. Tirbak; to the Committee on the Judiciary.

"Under the committee recommendation personal property will be disposed of in the following order: 1. Transfers to Government agencies. 2. Disposals to veterans. 3. Disposals to States and political subdivisions and instrumentalities thereof. 4. Disposals to small business. Real property not under section 13 of the Surplus Property Act will be disposed of as follows: 1. Transfers to Government agencies. 2. Disposals to veterans. 3. Disposals to States and political subdivisions and instrumentalities thereof. 4. Disposals to former owners. 5. Disposals to small business'.

"Public Law No. 616 relating to Reconstruction Finance Corporation, and passed by this session of Congress, eliminated provisions of section 18 (e) of the Surplus Property Act, as amended. In the consideration of this legislation, the committee is of the opinion that the objection was not to the priority granted small business but it appeared desirable to relieve the Reconstruction Finance Corporation of its responsibility to administer same.

"A proviso in the bill requires the War Assets Administrator to reestablish this priority so that it follows States and local governments insofar as both real and personal property are concerned. It is to be noted that with respect to real property the priority of small business follows that of former owners.

"A proviso has also been added which would authorize the Administrator of War Assets Administration to eliminate priorities and preferences on personal property when the cost to Government is excessive as related to estimated benefit to priority and preference claimants.

"Much discussion has been had relative to the advisability of the elimination of priorities and preferences for personal property. Testimony has been given as to the substantial money savings which the Government might derive from a surplus-property operation free and clear of priorities for personal property and also as to the increasingly diminishing value of these priorities to the beneficiaries thereof, especially as related to the expense which their existence causes the Government.

"It is the opinion of the committee that those priorities and preferences should not be entirely eliminated at this time. There may remain some advantage to the beneficiaries of them from the war surplus still undisposed of, especially if suitably extended. The committee believes that the same monetary advantages may well be accomplished through retention of those priorities provided the Administrator of the War Assets Administration is given authority to eliminate them when the economies of a given situation demand it. The committee further believes that in the Administrator...is given discretion in suitable cases to make disposals of surplus personal property, without regard to priorities, as provided in the recommended language, the most damaging cost aspects of the priority system can be alleviated without material damage to the interests of priority claimants."

Agreed to an amendment (in addition to the committee amendments), by Sen. Barkley, to add \$450,000 for administrative expenses of REA (p. 8962).

Sens. Reed, Bridges, Brooks, Cordon, Green, Russell, and McKellar were appointed conferees (p. 8963). Reps. Wigglesworth, Phillips, Robertson, Coudert, Hendricks, Andrews, and Thomas were appointed House conferees (p. 9073).

4. ALCOHOL PLANTS. Passed without amendment H. R. 6096, to transfer to this Department the alcohol plants at Muscatine, Kansas City, and Omaha (p. 8903). This bill will now be sent to the President.
5. FOREST LAND. Passed without amendment H. R. 5861, to transfer a tract of forest land to Okla. (p. 8908). This bill will now be sent to the President.
6. CIVIL-SERVICE RETIREMENT. Passed without amendment H. R. 6454, to provide

annuities for Federal employees who are primarily engaged in the investigation, apprehension, or detention of persons suspected or convicted of offenses against the U. S. criminal laws, who is at least 50 and has had 25 years of service (p. 8910). This bill will now be sent to the President.

Passed without amendment H. R. 6641, to provide annuities for certain surviving spouses of annuitants retired before Apr. 1, 1948 (p. 8913). This bill will now be sent to the President.

7. VETERANS' LOANS. Passed as reported S. 2790, to amend the Servicemen's Readjustment Act so as to provide a secondary market for GI loans (pp. 8918-9).

8. PERSONNEL. Passed without amendment H. R. 4917, which provides that, if a veteran lost opportunity for appointment in the Federal civil service because of military service and becomes physically disqualified for the position for which he was examined by reason of a disability incurred in the military service, he may have his name entered upon any list of eligibles for which a like examination is required (p. 8912). This bill will now be sent to the President.

9. ASSISTANT SECRETARIES. Passed without amendment H. R. 6822, to continue the authorization for two additional Assistant Secretaries of State (pp. 8912-13). This bill will now be sent to the President.

10. DISASTER RELIEF. Passed as reported S. 2831, to authorize the Secretary of Defense to coordinate the emergency disaster relief of Federal agencies (pp. 8932-3).

11. REMOUNT SERVICE. Passed S. 2698, to authorize transfer of certain Army horses to the New Mexico Military Institute, except those used in the Remount Service (p. D677).

12. SELECTIVE SERVICE. Debated a motion by Sen. Gurney that conferees be appointed on S. 2655, the selective-service bill (pp. 8920-7, 8963-81, 9109-36).

13. APPROPRIATIONS. Received the following appropriation estimates from the President (pp. 8947-8); to Appropriations Committee.

Flood-damage loans, USDA, \$6,000,000. (S. Doc. 186.)

Rural-housing program under pending housing bill, \$3,500,000 appropriation and \$25,000,000 loan authorization. (S. Doc. 187.)

14. INFLATION. Sen. O'Mahoney spoke in favor of anti-inflation legislation and said this would help to make possible economy in Government expenditures (pp. 8916-8).

15. BILLS PASSED OVER, during call of the calendar, included:

S. 784, providing maternity leave for Government employees (pp. 8903-4).

S. J. Res. 162, restricting authority for establishment of Indian reservations in Alaska (pp. 8927-8).

S. 2754, the property-management bill (p. 8927).

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16. FARM PROGRAM. Reps. Hope, Andresen, Johnson, Murray, Flannagan, Cooley, and Pace were appointed conferees on H. R. 6243, the farm-program bill (p. 8990).

17. COMMODITY CREDIT CORPORATION. Passed, 107-13, S. 1322, to provide a Federal charter for CCC, with the language of H. R. 6263 substituted (pp. 9015-22).

a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, strike out all after "cemeteries," down to and including "costs." in line 14 and insert "The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force are authorized and directed to compile a list of the names of all members of the armed forces of the United States who died while serving in such forces in the overseas theaters of operations on or after September 3, 1939, and whose bodies have not been recovered or identified or have been buried at sea. Upon the compilation of such list of names and other appropriate data, the American Battle Monuments Commission and the Secretary of the Army are authorized and directed to provide for the inscribing of each such name and pertinent data with respect to the individual on the wall of a chapel or other appropriate memorial erected by the American Battle Monuments Commission or by the Department of the Army. In determining the particular chapel or other memorial on the wall of which any particular name shall be inscribed, the Commission and the Secretary shall follow the general rule of having the name inscribed upon the wall of that chapel or other memorial which is appropriate in view of the circumstances under which the deceased died in the service of his country."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EMERGENCY FUND FOR BUREAU OF RECLAMATION

Mr. WELCH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3218) to authorize an emergency fund for the Bureau of Reclamation to assure the continuous operation of its irrigation and power systems, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

After line 10, insert:

"SEC. 2. The term 'unusual or emergency conditions,' as used in this act, shall be construed to mean canal bank failures, generator failures, damage to transmission lines; or other physical failures or damage, or acts of God, or of the public enemy, fires, floods, drought, epidemics, strikes, or freight embargoes, or conditions, causing or threatening to cause interruption in water or power service."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

TOLL BRIDGE OVER DELAWARE RIVER

Mr. DONDERO. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6465) to amend and supplement section 2 of the act approved August 30, 1935, relating to the construction and financing of toll

bridges over the Delaware River by the Delaware River Joint Toll Bridge Commission of the Commonwealth of Pennsylvania and the State of New Jersey.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for commencing and/or completing the construction of other bridges over the navigable waters of the United States, and for other purposes," approved August 30, 1935, be, and the same is hereby, amended and supplemented by adding at the end thereof the following paragraph:

"(e) Notwithstanding any of the foregoing provisions of this section or of any other Act of the Congress, the Delaware River Joint Toll Bridge Commission of the Commonwealth of Pennsylvania and the State of New Jersey is hereby authorized (1) to fix and charge tolls for transit over any bridge heretofore or hereafter constructed by it across the Delaware River in accordance with the provisions of the original compact or agreement between said Commonwealth of Pennsylvania and said State of New Jersey which is set forth in section 9 of said Act approved August 30, 1935, as amended with the consent of Congress by the compact or supplemental agreement which is set forth in the Act approved August 4, 1947; and (2) to unite or group any such bridges into a single project for financing purposes and to continue to fix and adjust the tolls for the use of the bridges in such project and pledge such tolls in accordance with the provisions of said original compact or agreement as so amended: *Provided, however,* That the tolls for the use of any such bridge or the bridges in any such project may be applied by said Commission, if and to the extent permitted by its contract with the holders of its bonds, to the payment of all or part of the cost of maintaining, repairing, and operating any bridge or bridges now operated by said Commission free of tolls; *And provided further,* That after the cost of any such bridge or of the bridges in any such project shall be amortized, such bridge or bridges shall thereafter be maintained and operated free of tolls, or the rates of tolls shall thereafter be so adjusted as to provide funds not to exceed the amount necessary for the proper maintenance, repair, and operation of such bridge or bridges, and any bridge or bridges now operated by said Commission free of tolls."

With the following committee amendments:

On page 2, line 20, strike out the words "that the" and all of lines 21, 22, 23, 24, and 25, and lines 1 and 2 on page 3 through the word "further."

Page 3, line 5, after the word "tolls", strike out the remainder of the page.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SANTA ROSA ISLAND, FLA.

Mr. ELSTON. Mr. Speaker, I call up the conference report on the bill H. R. 3735, an act to authorize and direct the Secretary of War to donate and convey to Okaloosa County, State of Florida, all the right, title, and interest of the United States in and to a portion of Santa Rosa Island, Fla., and for other

purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio [Mr. ELSTON]?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see page 9085 of today's RECORD.)

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FEDERAL CHARTER FOR COMMODITY CREDIT CORPORATION

Mr. WOLCOTT. Mr. Speaker, I move to suspend the rules and pass the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, with an amendment striking out all after the enacting clause and inserting the provisions of H. R. 6263, as amended.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc.,—

TITLE I—COMMODITY CREDIT CORPORATION CHARTER

SEC. 1. This title may be cited as the "Commodity Credit Corporation Charter Act."

SEC. 2. Creation and purposes: For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as "agricultural commodities"), and of facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to be known as Commodity Credit Corporation (hereinafter referred to as the "Corporation"), which shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general direction and control of its Board of Directors.

SEC. 3. Offices: The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business.

SEC. 4. General powers: The Corporation—

(a) Shall have succession in its corporate name.

(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.

(c) May sue and be sued, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction of all suits brought by or against the Corporation: *Provided,* That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit against the Corporation shall be allowed unless it shall have been brought within 4 years after the right accrued on which suit is brought. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this act, the Federal Tort Claims Act (Public Law 601, 79th Cong.) shall be applicable to the Corporation.

(d) May adopt, amend, and repeal bylaws, rules, and regulations governing the manner

in which its business may be conducted and the powers vested in it may be exercised.

(c) Shall have all the rights, privileges, and immunities of the United States with respect to the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding.

(f) Shall be entitled to the use of the United States mails in the same manner and upon the same conditions as the executive departments of the Federal Government.

(g) May enter into and carry out such contracts or agreements as are necessary in the conduct of its business. State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements.

(h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. Except as provided in section 16, the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business.

(i) May borrow money subject to any provision of law applicable to the Corporation: *Provided*, That the total of all money borrowed by the Corporation, other than trust deposits and advances received on sales, shall not at any time exceed in the aggregate \$4,750,000,000. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid.

(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers.

(l) May make such loans and advances of its funds as are necessary in the conduct of its business.

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

SEC. 5. Specific powers: In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 ed., Supp. V, 841), the Corporation is authorized to use its general powers only to—

(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

(c) Procure agricultural commodities for sale to other Government agencies, foreign

governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

(e) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities.

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

SEC. 6. Existing statutes applicable to the Corporation: The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the Corporation. Commodity Credit Corporation, a Delaware corporation, shall cease to be an agency of the United States as provided in section 7 (a) of the act of January 31, 1935, as amended (15 U. S. C., 1940 ed., Supp. V, 713 (a)).

SEC. 7. Capital stock: The Corporation shall have a capital stock of \$100,000,000 which shall be subscribed by the United States. Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this act. The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), as amended, at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

SEC. 8. Funds: The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it.

SEC. 9. Directors: The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the "Board"). The Board shall consist of five members. The Secretary of Agriculture, or his nominee, shall be a member of the Board and the remaining members shall be appointed by the President by and with the advice and consent of the Senate. The chairman of the Board shall be selected by the Board. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present. The appointed directors shall serve for a period of 5 years, except that the terms of the first Board shall be shortened to provide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States. The Corporation may provide, by its bylaws, for the compensation to be paid the directors: *Provided*, That the compensation paid any director shall not exceed in the aggregate \$10,000 per annum: *And provided further*, That employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on

the Board. Employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not comprise, in the aggregate, more than one-half the members of the Board.

SEC. 10. The executive staff: Responsibility for the day-to-day conduct of the business of the Corporation shall be vested in a staff of executive officers, headed by a chief executive appointed by the Board and responsible to the Board. The executive staff shall include a controller. Members of the executive staff shall devote their full time to the affairs of the Corporation. The Board shall define the authority and duties of the members of the executive staff, delegate to them such of the powers vested in the Corporation as it may determine, require that such of them as it may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds of any officer or employee. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 ed., 661).

SEC. 11. Cooperation with other governmental agencies: The Corporation may, with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivision thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation, be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, in the performance of any part or all of the functions of such agency.

SEC. 12. Utilization of associations and trade facilities: The Corporation may, in the conduct of its business, utilize on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities.

SEC. 13. Records, annual report: The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation, a copy of which shall be forwarded by the Secretary of Agriculture to the President for transmission to the Congress.

SEC. 14. Interest of Members of the Congress: The provisions of section 1 of the act of February 27, 1877, as amended (41 U. S. C., 1940 ed. 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 15. Crimes and offenses.—

FALSE STATEMENTS; OVERVALUATION OF SECURITIES

(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another, money, property, or anything of value, under this act, or under any other act applicable to the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment by not more than 5 years, or both.

**EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES;
FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION**

(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (i) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (ii) with intent to defraud the Corporation, or any other body, politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (iii) with intent to defraud the Corporation, participates or shares in, or receives directly or indirectly any money profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine or not more than \$10,000 or by imprisonment for not more than 5 years, or both.

LARCENY; CONVERSION OF PROPERTY

(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

GENERAL STATUTES APPLICABLE

(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the act of March 4, 1909, as amended (18 U. S. C., 1940 ed., 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 16. Transfer of assets of Commodity Credit Corporation, a Delaware corporation: The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation.

SEC. 17. Dissolution of Delaware corporation: The Secretary of Agriculture, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

SEC. 18. Effective date: This title shall take effect as of midnight June 30, 1948.

TITLE II—AMENDMENTS TO EXISTING LAW

SEC. 201. Section 8 (a) of the Stabilization Act of 1942, as amended (U. S. C., 1940 ed., supp. V, title 50, sec. 968), is amended by striking out "before the expiration of the 2-year period beginning with the 1st day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated" and by inserting in lieu thereof "on or before December 31, 1950."

SEC. 202. Section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes", approved July 1, 1941 (U. S. C., 1940 ed., supp. V, title 15, sec. 713a-8 (a)), is amended by striking out "the expiration of the 2-year period beginning with the 1st day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated" and by inserting in lieu thereof "December 31, 1950."

The SPEAKER. Is a second demanded?

Mr. SPENCE. Mr. Speaker, I demand a second.

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under the rule, the gentleman from Michigan [Mr. Wolcott] is recognized for 20 minutes, and the gentleman from Kentucky [Mr. Spence] is recognized for 20 minutes.

MR WOLCOTT. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, under the Government Corporation Control Act, no wholly Government-owned corporation is continued beyond June 30 of this year, unless it is incorporated as a Government corporation.

Under that law, the Commodity Credit Corporation would expire on June 30, 1948. The bill that is before the House reincorporates the Commodity Credit Corporation and continues the life of the Corporation in perpetuity. There is no limitation on the life of the Corporation contained in the law. However, each and every one of the functions of the Commodity Credit Corporation is limited in respect to the length of time in which that function may be administered by the Commodity Credit Corporation.

The act provides for the creation of this Government-chartered corporation with a board of five appointed by the President by and with the consent of the Senate. Their terms are for 5 years. The Board appoints a chairman who presumably will be the Secretary of Agriculture.

A section of the bill provides that not more than a majority of the board shall be within the Department of Agriculture, so that there will be at least three members appointed independently of the Department of Agriculture, but, of course, within the executive establishment. We have created this corporation within the executive establishment.

The corporation has a capital of \$100,000,000 with certain assurances and guar-

anties in the law that any impairment of this capital shall be restored by the Treasury under an authorization for an appropriation for that purpose.

The borrowing power of the corporation is limited to the same amount as at present, \$4,750,000,000.

I neglected to say that this is now a Delaware corporation.

As I have said, the Commodity Credit Corporation is the agency for the administration of certain very important functions. They come within the following classifications: The price-support program, the supply program, the foreign-purchase program, the commodity credit program, the loan program for agricultural conservation purposes; and, of course, the subsidy program which, although it was active during the war, is now in process of liquidation.

A few days ago we passed an agricultural-support program. Title 2 of the bill now under consideration provides for the continuance of the price-support program. One of the amendments I have offered is that title 2 of this bill be stricken because we have already legislated upon the same general subject. The above, I think, in principle, is the bill.

In substance and in summary, this bill continues the Delaware corporation, the Commodity Credit Corporation, as a federally chartered corporation, and we are assured that the programs which I have mentioned will be continued if the Commodity Credit Corporation is continued and if the Congress, of course, supports those programs.

I reiterate that although there is no limitation upon the life of the Corporation, there is a limitation upon the period in which each and every one of these programs may be administered.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Speaker, I hope there will be no objection to the passage of this bill.

The Commodity Credit Corporation has exercised a most useful function. It has been the means by which agricultural prices have been supported, and it has done a good job in that respect. Unless it is reincorporated under the Federal Corporations Act it will die on the 30th of this month. It is necessary to pass this legislation in order that its useful functions may continue.

Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. Brown].

MR. BROWN of Georgia. Mr. Speaker, the Commodity Credit Corporation is the agency through which price support and stabilization policies are effectuated.

The price-support bill, which we passed Saturday, is useless without the Commodity Credit Corporation as a vehicle to carry out the purpose of the support program.

This bill provides a permanent Federal charter for the Commodity Credit Corporation. This action by Congress is made necessary because of the provisions of the Government Corporations Control Act, enacted in 1945, which requires all Government corporations to obtain a Federal charter from Congress on or before June 30, 1948, in order to continue to function as Government corporations.

The Commodity Credit Corporation was organized pursuant to an Executive order of the President issued on October 16, 1933, and was incorporated as a Government corporation under the laws of Delaware. It has continued to function down to the present time under a Delaware charter that has been amended at various times. Congress, from time to time, also has enacted specific legislation governing the extent and character of its lending and price-support operations and providing various limitations and safeguards with respect to these operations of the Corporation.

For several years, I have advocated legislation to make permanent the set-up of the Commodity Credit Corporation. For the reasons I have just given, it is imperative that Congress act now to provide the Corporation with a Federal charter. I feel very strongly that in doing this, Congress should provide a permanent charter, and not deal with this matter on a temporary year-to-year basis or even on a 2- or 3-year basis.

At this point, it is important to distinguish clearly between the question of providing a permanent charter for the Corporation and the question of what levels and for what period of time the Corporation is to support farm prices. Regardless of whether price-support legislation is to be developed in a long-range farm program or whether a temporary extension of existing price support legislation for 1, 2, or 4 years is to be provided, the Commodity Credit Corporation will be needed permanently and it will need a permanent charter under which to operate.

The consuming public has a vital stake in maintaining the Commodity Credit Corporation and its successful functioning in carrying out the price-support functions and ever-normal granary features of the national farm program. Had it not been for the successful operations of the Corporation in carrying out these programs, food prices to consumers would be much higher than they are.

The Commodity Credit Corporation has, during the past 15 years, become a keystone of our over-all farm program. It has helped us establish and maintain fair prices and incomes for our farmers. It has assisted us in maintaining an adequate supply of foods, feed, and fiber—even during the war years, when many farmers found that manpower, machinery, fertilizer, and other production needs were scarce or nonexistent. It has given us flexible authority to meet emergency farm problems as they have arisen.

In view of the vital service the Corporation has rendered to American agriculture, I say that the Corporation should be continued as a Federal agency—a permanent Federal agency—with authority to move promptly and decisively.

The Corporation under the Delaware charter was authorized, among other things, to engage in buying, selling, lending, and other activities with respect to agricultural commodities. Those are broad powers. Congress, however, has kept a firm control over the Delaware Corporation and would continue to keep a firm control over the Federal Corpo-

ration. That is why Congress is faced today with two important questions with respect to the Corporation: First, should Congress grant a Federal charter, and, second, should that charter give the Corporation the authority it needs to deal decisively with farm problems. Of course, the answer is "yes."

Unless Congress is going to repeal the basic agricultural laws, there will be a continuing need for the Corporation to operate. Therefore, it is just good common sense to provide a permanent charter for the Corporation. This will be reassuring to farmers. Some of the laws which require the use of the Corporation in order to effectuate congressional price-support policies are already permanent statutes, but without the Corporation to make good on these policies, the statutes would be of no value.

This does not mean that Congress from time to time cannot change the rules, powers, duties, and limitations under which the Corporation operates. The fact is, Congress has done this in the past by various statutes all during the period under which the Corporation has operated under a Delaware charter. Congress, of course, can revoke the proposed charter at any time it desires. Hence, there seems to be no valid reason why Congress should not provide a permanent charter for the Corporation.

It is also important to provide adequate powers with sufficient flexibility to enable the Corporation to carry out its statutory responsibilities. The Corporation is charged by law with providing mandatory commodity loans and price supports at various levels. It is vitally important that the Government be prepared to make good on its commitments to farmers in these basic statutes, if the confidence of farmers in the integrity of their Government is to be preserved. Therefore, the Corporation must be clothed with adequate powers to discharge these responsibilities effectively. The proposed charter is an improvement on the Delaware charter; its powers are not as sweeping in scope, but nevertheless they appear to be adequate and they are better defined than in the old charter.

This is one issue upon which farmers everywhere are united. They realize the vital necessity for continuing the Commodity Credit Corporation. The American Farm Bureau Federation, which is the largest and most representative of the farm organizations and which represents more than one and one-quarter million farm families in 45 States and Puerto Rico, strongly urged a permanent charter for the Corporation. I fully agree with their views of this matter. It is vitally important that Congress act now so that farmers will be assured that their Government is not going to let them down.

(Mr. BROWN of Georgia asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Speaker, I yield such time as he may desire to the gentleman from Washington [Mr. JACKSON].

(Mr. JACKSON asked and was given permission to revise and extend his remarks.)

Mr. JACKSON. Mr. Speaker, the drive to destroy the rights of farmer cooperatives in the United States continues unabated. As in the past, the drive is spearheaded by an organization known as the National Tax Equality Association. It is being aided and abetted by other groups, including the National Associated Businessmen. Their latest move, Mr. Speaker, is the attempt which is now being made to stampede the resolution committees of the Democratic and Republican Parties for a proposed platform plank against farm cooperatives. They have undertaken a Nation-wide drive to obtain a million signatures in behalf of their mischievous program. A recent circular issued by the National Tax Equality Association illustrates the means they are using to obtain these signatures. It states in part as follows: "You will probably receive petitions sent out by other organizations. Use them. This is one case where duplication can be made to pay dividends—in more and more signatures." It looks like the National Tax Equality Association will be satisfied with all the petitions they can obtain even if some of them are duplicates. This should be ample warning to both major parties to scrutinize most carefully the petitions which will be presented to them.

Another tactic of the National Tax Equality Association is its attempt to smear the cooperatives as "Red" and "communistic." Nothing could be more ridiculous or further from the truth.

Farmer cooperatives are among the strongest foes of communism in any of its forms. Cooperatives are strongest in Sweden, Norway, Denmark, Holland, Belgium, and England, and in none of these countries has communism been able to gain the slightest foothold.

In the United States there are more than 5,000,000 members of farmers marketing and purchasing cooperatives, many farmers belonging to more than one association. Well over half of all the farmers in the United States are staunch members of cooperatives, and I have never heard of anyone but the National Tax Equality Association and its affiliates who has conceived that the American farmer was a Communist.

It is pertinent to inquire as to just who are these persons and these organizations who are spearheading the drive to strike at the very heart of the cooperative groups of farmers throughout the Nation. Who are these persons and organizations who would have the Republican and Democratic Parties repudiate the major contributions that farmer cooperatives have made in bringing health and prosperity to American agriculture and thereby to our whole Nation?

What are the selfish motives of those persons and individuals who would have us forget the prostrate condition of American agriculture only a few short years ago and the success of farmer cooperatives in making our system of free enterprise work on American farms?

The fully story of the identity and financing of this giant anticooperative endeavor is not known to the public because of the conscious effort of its sponsors to obscure it. I do know that the parent organization organized in 1943 with the demonstrated objective of

crushing the successful operation of farm cooperatives is the National Tax Equality Association, with headquarters in Chicago, Ill. I do know that Mr. Ben C. McCabe, chairman of the board and formerly president, attempted to hide the true nature of the NTEA when he told the House Ways and Means Committee on November 25, 1947, that:

NTEA is devoted solely to research and educational activities and no deviation from these limitations is permitted either by the association's charter or by vote of its board of directors.

In order to try to retain its professed character of a research and educational organization, the NTEA has sponsored other organizations through which to channel to the public and to the Congress its propaganda advocating the overthrow of co-ops.

Up to about the first of this year, the NTEA had the United States Business Organizations, Inc. as its Washington agent to carry the frontal attack against cooperatives. Karl S. Dixon, as executive vice president of the United States Business Organizations, was the \$12,000-a-year man until a few months ago in Washington spearheading the drive against cooperatives. Now I understand Dixon is back in Chicago, and as vice president of the National Tax Equality Association, is taking an active part in contacting trade association, chambers of commerce, business firms, and private individuals to get signatures to the anti-cooperative petition for presentation at the Republican and Democratic conventions.

Is not this sufficient to indicate that NTEA has departed far from the research and educational activities professed by Mr. Ben McCabe?

Mr. Speaker, the House Small Business Committee, of which I am a member, conducted extensive hearings during 1945 and 1946 on the subject of cooperatives. On page 42 of the report submitted to the Congress by the committee on April 9, 1946, we made the following findings and recommendations:

There is substantial evidence to show that the cooperative movement operates as a very successful means of combating monopolistic concentrations and, as such, is a very healthy addition to the American economy.

There is no evidence to show that cooperatives have been granted a type of preferential financial treatment by the Federal Government that has not likewise been made available to and accepted by other forms of business enterprise, including banks, savings and loan societies, manufacturers, distributors, and other types of private enterprise operating for the principal purpose of making profits. An examination of the operations of the Reconstruction Finance Corporation, the Smaller War Plants Corporation, the Federal Deposit Insurance Corporation, the Home Owners' Loan Corporation, the Federal Savings and Loan Insurance Corporation, and other Federal financing agencies gives proof that thousands of private firms operating for profit have sought and enjoyed the benefits of such agencies' financial assistance in a manner comparable to that received by cooperatives from the Farm Credit Administration and its allied financing groups.

In 1947 the same committee conducted further hearings on this subject. Dur-

ing the course of these hearings, a request was made on August 22, 1947, by the gentleman from Texas, Representative WRIGHT PATMAN, a member of the committee, for the National Tax Equality Association to submit a complete statement of its receipts, contributions, and disbursements for the past 2 years. The gentleman from Texas, Representative PATMAN, pointed out that certain cooperatives had been asked by the committee to submit their full records and that every one of them had fully complied with the request. Although this information was requested of the National Tax Equality Association, to date they have failed to submit to the committee any of the information called for in the hearings.

A recent estimate made after a survey of the records of the Clerk of the House of Representatives shows that almost a million dollars a year is being spent by the National Tax Equality Association and its affiliates. Yet we have no record of who is contributing these vast sums of money to destroy farmer cooperatives. I think that it is time we find out who is behind this campaign.

Farmers in my own district in Washington have grown tired of the baseless charges which have been leveled at them during the past 4 years by such organizations as the National Tax Equality Association and the National Associated Businessmen. Farmer cooperatives pay all the local, State and Federal taxes which are paid by other businesses which operate in the same manner. Cooperatives pay property taxes, sales taxes, social-security taxes, stamp taxes, and income taxes if they make any profits. Members of farmer cooperatives pay a tax on every cent of income which comes to them from patronage refunds paid by their own associations. Cooperatives are taxed in exactly the same manner as are partnerships and individual businesses.

I would like to remind the leaders of both political parties that the farmers of this Nation will not stand by and permit the representatives of organized greed and wealth to deny them their right to organize and operate their own farm business enterprises. From the depths of economic depressions and personal hardships, the farmers of this Nation have built their own cooperative organizations to insure to themselves and their families the just financial returns from their toil and labors.

I am sure that the millions of farmers of this Nation will not allow a selfish few to destroy the cooperatives which farmers have struggled to build up over a quarter of a century.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

(Mr. McCORMACK asked and was given permission to revise and extend his remarks.)

Mr. McCORMACK. Mr. Speaker, we witness in the consideration of this bill the Congress legislating in accordance with the rules of both branches, and with the intent of Congress to get legislation enacted into law as quickly as possible. We have a situation here where a bill has passed the other body and the House

committee has reported out a bill. If the House bill was brought up and passed, it would go over to the Senate, and we will have the situation of a bill passing the Senate over in the House and a bill passing the House over in the Senate, and no final action taken. In order to expedite legislative procedure and to get legislation enacted into law, where there is a sincere purpose to legislate, where a bill has passed one body and the other body has reported out a bill from the committee, the proper thing to do is to strike out all after the enacting clause and to substitute the bill of the body in which the bill is pending, in this case the Senate bill pending in the House, with the House passing the committee differences between the two bills. That means that there is complete legislative action to its final conclusion. When that is done the bill goes back to the Senate, and the Senate can agree to the House amendments insofar as there is a disagreement between the Senate bill and the bill as it passed this body. It goes back as a Senate bill with the House bill including all after the enacting clause. If the Senate decides not to concur, then they can ask for a conference, and after the conferees have discussed the matter, a conference report is brought in. If, in the first place, the Senate agrees to the House action, that is the end of it, and the bill, after engrossment and final action and signature by the presiding officers of both bodies, goes to the President. The same happens after a conference report is agreed to by both branches.

We are now witnessing the regular way of legislating, where there is a sincere desire to legislate. As to the housing bill, I am wondering if my good friend, the gentleman from Michigan [Mr. Wolcott] is going to take the same course. The housing bill will come up soon. There is a Senate bill now on the Speaker's table. I wonder if my good friend from Michigan [Mr. Wolcott] is going to, when he moves to suspend the rules, take the Senate bill and strike out all after the enacting clause and insert the House bill, whichever one he is going to propose, and I assume it is the last bill he reported out.

Mr. WOLCOTT. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. WOLCOTT. The gentleman should know, for the very simple reason that there is no Senate bill at the Speaker's table.

Mr. McCORMACK. There is a Senate bill over here.

Mr. WOLCOTT. That is in committee.

Mr. McCORMACK. That is immaterial. It does not have to be on the Speaker's table. The bill has passed the other body. The Speaker could recognize to suspend the rules. It would not have to be reported out of committee. The bill is in committee, but it has passed the other body, so that is immaterial. The gentleman could move to suspend the rules and call up the Senate bill, and then strike out all after the enacting clause and insert the House bill. That would be the orderly way, just as he is

doing now. May I ask my friend from Michigan if it is the intention to do so?

Mr. WOLCOTT. I might say to the gentleman from Massachusetts that it is not the intention to do so.

Mr. McCORMACK. That being so, it is not the intention of the Republicans, as far as the House is concerned, to have any real housing legislation enacted in this session of Congress, because if they did intend to do so, they would take up the Senate bill, strike out all after the enacting clause, and substitute the House bill, and then it would immediately go to conference. If they did that, then we would support it in order to get it into conference. The frank answer of my friend from Michigan is, again, what I said yesterday, a powerful message to the people of the country that everything that President Truman has been saying on his trip West about the Republican-controlled Congress is correct.

Mr. WOLCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, I sincerely regret that this bill is being brought up under suspension of rules which does not permit amendment. This is a very important measure. The Commodity Credit Corporation furnishes the machinery through which the price-support programs on agricultural commodities are carried out. Without the Commodity Credit Corporation, it would be impossible for the Secretary of Agriculture to carry out the mandate of Congress that prices on certain agricultural commodities be supported.

There are two very serious defects in the bill as it now stands. One of them is that the bill prohibits the Corporation from acquiring or leasing any plant or facility for warehousing, transporting, processing, or handling of agricultural commodities, or from acquiring or leasing real property or any interest therein except the rental of office space. The bill also contains a provision reading as follows:

In the Corporation's leasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

These provisions which severely restrict the operations of the Commodity Credit Corporation would, in my opinion, make it very difficult for the agency to carry out the duties imposed on it by law. However, I shall not detain the House with a detailed discussion of these points because my time is limited and this particular matter will be discussed by the able gentleman from Minnesota [Mr. H. CARL ANDERSEN] a little later in this debate.

The provisions of this bill to which I particularly wish to call attention and to discuss in some detail are those which provide for setting up the Board. Section 9 of the bill provides that the Board of Directors shall consist of five members, one of whom shall be the Secretary of Agriculture or his nominee,

and the remaining four to be appointed by the President by and with the advice and consent of the Senate. Not more than one-half of the members of the Board could be employees of the Corporation or any Department or agency of the Government. The Secretary of Agriculture is divested of the authority which he has previously had, of general supervision of the Corporation.

This means that three members of the Board of Directors must be appointed from outside the Department of Agriculture and the Federal Government, and that the control of the operations of the Corporation would be in the hands of the appointed members. What would occur under those circumstances is that, while the Secretary of Agriculture would have the responsibility for carrying out the provisions of law relating to support prices, under the terms of this bill he would lack the authority to do so effectively. It would simply be another case of what we already have too much of in the Federal Government—that is divided authority. Under the arrangement provided in this bill the Board could, if it desired, adopt policies and carry out programs to which the Secretary was opposed. Congress and the President would have to look to both the Board of Directors of the Corporation and the Secretary of Agriculture.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. If the Congress does not give the Secretary of Agriculture full power over this board, how can we hold the Secretary of Agriculture to account for the operations of the Commodity Credit Corporation?

Mr. HOPE. There is no way that we can do so.

The principal purpose in putting the Commodity Credit Corporation in the Department of Agriculture, where it has been since 1939, was to get away from the division of authority and to assure that the activities of the Department and those of the Commodity Credit Corporation which are so closely related, would be coordinated and integrated.

At present the officers of the Commodity Credit Corporation are officials of the Department of Agriculture who are also in charge of departmental programs relating to the production and marketing of agricultural commodities. The programs of the Commodity Credit Corporation are necessarily closely related to the others of the Department of Agriculture. They are tied in with programs which involve section 32 funds. Price supports are tied in closely with production goals. The programs of the Corporation at the State and county levels are carried on largely through committees of farmers who are also responsible for other departmental activities. If the Corporation were under the control of a separate Board which had no knowledge of these activities and no part in them, there would without question be a tremendous amount of overlapping and confusion, and there would always be the possibility of conflicting programs.

Another factor which, it seems to me, should be taken into consideration is that there is no way by which members of the Board appointed from outside the Department of Agriculture could devote full time to the affairs of the Corporation. I mean by that that there is no necessity for full-time directors to pass on the matters which would ordinarily come before the Board.

It would be expected, I presume, that the members of the Board would be men who were acquainted with and experienced in the buying and selling of agricultural products. There is nothing in the bill which requires that they divest themselves of outside interests in those activities before becoming members of the Board. I believe that most men who are qualified for a position on the Board would not feel that they could afford to divest themselves of conflicting private interests. If they did not do so, they and the board would certainly be subject to criticism. Thus, in practical operation, it would probably turn out that members of the Board will be those with conflicting private interests or persons without adequate experience to conduct such important business activities.

The provisions of this bill to which I have alluded are matters of deep concern to farmers everywhere. Some of our leading farm organizations have gone on record as being greatly disturbed by the provisions now contained in this bill. I have here in my hand a letter from Mr. Albert L. Goss, master of the National Grange, reading as follows:

JUNE 15, 1948.

HON. CLIFFORD HOPE,
Chairman, House Committee on Agriculture, House of Representatives,
Washington 25, D. C.

DEAR MR. HOPE: We sincerely hope the Commodity Credit Corporation bill will be amended to eliminate the divided responsibility under which the Secretary is charged with the duty for supporting commodity prices, but with means for carrying out this duty under the control of a board not responsible to him. We believe that the bill should also be amended to eliminate those sections which would channel all operations through the grain trade who might easily wreck the Corporation's essential stabilization operations or make them prohibitively expensive.

Sincerely yours,

A. S. Goss,
Master, the National Grange.

I also have the following telegram from Mr. John J. Riggle, assistant secretary of the National Council of Farmer Cooperatives:

HON. CLIFFORD HOPE,
Chairman, Committee on Agriculture, House of Representatives:

Urge that H. R. 6263, Commodity Credit Corporation bill, be amended to eliminate divided authority between Secretary of Agriculture to support farm prices and handle surplus and the independent Board to direct affairs of Corporation, and to provide for Corporation to own real and personal property necessary to handle surpluses of farm products which normal channels of trade do not handle at or above support levels.

JOHN J. RIGGLE,
Assistant Secretary, National Council of Farmer Cooperatives.

The American Farm Bureau Federation has stated its position in the follow-

ing wire, signed by Roger W. Fleming, director of its Washington office:

Hon. CLIFFORD HOPE:

*House Office Building,
Washington, D. C.*

Urge support amendment to H. R. 6263, Federal charter CCC, eliminating restrictive grain-trade provisions, and substituting language requiring CCC, in buying, selling, and other operations, to use normal trade channels insofar as practicable. Because of congressional mandates on loans, price support and other operations control of Corporation should be left with Secretary of Agriculture.

ROGER W. FLEMING,
*Director, Washington Office, American
Farm Bureau Federation.*

If this bill had been brought up under such circumstances that amendments were permitted, I would offer the following amendments, which, if adopted, would cure the serious defects to which I have referred:

Page 2, line 8, strike out "its Board of Directors" and insert in lieu thereof "the Secretary of Agriculture (hereinafter referred to as 'Secretary')."

Page 8, line 12, strike out section 9 in its entirety and substitute in lieu thereof the following:

"Sec. 9. Directors: (a) The management of the Corporation shall be vested in a board of directors (hereinafter referred to as the 'Board'), subject to the general direction and control of the Secretary, who shall be a director and serve as Chairman of the Board. The Board shall consist of four members (in addition to the Secretary), who shall be appointed by the President, by and with the advice and consent of the Senate. Each appointed member of the Board shall receive compensation at the rate of \$10,000 per annum and shall hold office for a term of 4 years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of members first taking office after the date of enactment of this act shall expire, as designated by the President at the time of appointment, one at the end of 1 year, and one at the end of 2 years, one at the end of 3 years, and one at the end of 4 years, after the date of enactment of this act. In addition to their duties as members of the Board, such appointed members shall perform such other duties as may be prescribed by the Secretary. Each appointed member of the Board shall receive compensation at the rate of \$10,000 per annum, except that any such member who holds another office or position under the Department of Agriculture, the compensation for which exceeds such rate, may elect to receive compensation at the rate provided for such other office or position in lieu of the compensation provided by this section.

"(b) Vacancies in the Board, whether arising from failure of the President to nominate or the Senate to confirm the original or subsequent members of the Board, so long as there shall be four members in office, shall not impair the powers of the Board to execute the functions of the Corporation, and a majority of the members in office shall constitute a quorum for the transaction of the business of the Board."

Page 9, line 13, strike out section 10 in its entirety and substitute the following:

"Sec. 10. Personnel of Corporation: The Secretary shall appoint such officers and employees as may be necessary for the conduct of the business of the Corporation, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require that such of them as he may designate be bonded, and fix the penalties therefor. The Corpo-

ration may pay the premium of any bond or bonds. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 ed., 661)."

Since it is not possible under this procedure to offer amendments, I have inserted them in the RECORD, with the hope that when this bill goes to conference, the conferees may agree upon provisions which are substantially the same as those contained in the amendments above-quoted.

As indicated in the beginning of my remarks, I regard this matter as one of the greatest importance to the agricultural producers of this country.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. HOLMES. Because of the unusual parliamentary situation, has the gentleman from Kansas any information as to how these matters may be handled in conference if this bill is passed by this body?

Mr. HOPE. We have a Senate bill, and I understand that the Senate bill will be substituted for this bill, and that everything after the enacting clause will be stricken out of the Senate bill, and the subject matter of the House bill inserted. That would get the bill into conference.

The SPEAKER. The time of the gentleman from Kansas has expired.

Mr. WOLCOTT. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. H. CARL ANDERSEN].

(Mr. H. CARL ANDERSEN asked and was given permission to revise and extend his remarks.)

Mr. H. CARL ANDERSEN. Mr. Speaker, I certainly agree 100 percent with what the gentleman from Kansas [Mr. HOPE] had to say about the divided authority which is created by the provisions of this particular bill. Whether we are Democrats or Republicans, regardless of who is Secretary of Agriculture, if we in Congress want to hold that official responsible for Commodity Credits operations, we must give to the Secretary of Agriculture the power to make decisions. I sincerely trust, as Mr. Hope has stated, that this subject will be considered in confidence.

There is another defect in this particular bill. If you will turn to Section 5 of H. R. 6263, you will see a mandatory provision there in which it is required that practically all operations of the Commodity Credit Corporation in regard to the warehousing, transporting, processing, or handling of agricultural commodities shall utilize—note the word "shall"—the customary channels, facilities, and arrangements of trade and commerce.

What does that amendment mean? May I say first that the gentleman from Michigan has very kindly agreed that an amendment will be placed in this particular paragraph after the word "shall", which will not make this particular section mandatory. But under this particular section if left in the bill as it is, the Commodity Credit Corporation alone with other things could not purchase commodities directly from producers. It

could not sell commodities directly to farmers. It could not extend the price support to farmers through purchases in areas where dealers are not willing to participate in the program. Frankly it would render ineffective entirely the great sealing program that we have had in effect throughout the Middle West in corn especially and other grains.

I thank the gentleman from Michigan and the committee for their willingness to accept this amendment, which will not make this section workable.

I am also disturbed about page 24, line 22. The language as written there practically says to the Commodity Credit Corporation: "You cannot utilize the 22,000 or more small steel-grain bins which you have had as extra storage space. We can plainly see that in case of a glut on the railroads or in the terminal markets the present language would mean that it would be practically impossible to carry out a grain-sealing program. Here, again, I am glad that the gentleman has agreed to an amendment, which does not go as far as I would like to see it, but nevertheless it does help a great deal. The gentleman from Michigan [Mr. WOLCOTT] has been very helpful in getting the matter adjusted.

Will the gentleman state what, in his opinion, his particular amendment to that section on page 4, line 22, would do? Would it assure the right of the Commodity Credit Corporation to own personal property? There is no such definite assurance in the bill. I would like a definite assurance that the Corporation can own these 20,000, or more, steel tanks, if needed, to carry out its functions as the vehicle for price-support programs.

Mr. WOLCOTT. I think I am in a position to assure the gentleman—surely, I would state it is my understanding—that there is no limitation upon the amount of personal property which the Corporation may own. There is a limitation which applies only to leases and real estate, and, as the gentleman says, they will be authorized under this amendment to continue existing leases.

Mr. H. CARL ANDERSEN. I thank the gentleman.

The SPEAKER. The time of the gentleman from Minnesota [Mr. H. CARL ANDERSEN] has expired.

Mr. WOLCOTT. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. BUCK].

Mr. BUCK. Mr. Speaker, this is another measure to guarantee continued high prices and high cost of living.

I read two of the specific powers granted the Corporation as set forth on page 6 (a): "Support the prices of agricultural commodities through loans, purchases, payments, and other operations." Then, having bought the commodities, subsection (d) permits the Corporation to "remove and dispose of or aid in the removal or disposition of surplus agricultural commodities." It buys the commodities in section (a), and pours kerosene on them in section (d).

Members who want a continuation of the high cost of living should vote in favor of this bill.

The SPEAKER. The time of the gentleman from New York [Mr. BUCK] has expired.

Mr. SPENCE. Mr. Speaker, I yield back the balance of the time on this side.

Mr. WOLCOTT. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion of the gentleman from Michigan to suspend the rules and pass the bill S. 1322, as amended.

The question was taken; and on a division (demanded by Mr. BUCK) there were—ayes 107, noes 13.

So two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

HOUSING ACT OF 1948

Mr. WOLCOTT. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 6959) to amend the National Housing Act, as amended, and for other purposes.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Housing Act of 1948."

TITLE I—AMENDMENTS TO TITLE I OF THE NATIONAL HOUSING ACT

SEC. 101. (a) Section 1 of the National Housing Act, as amended, is hereby amended by striking out "titles II, III, and VI" wherever appearing in said section and inserting in lieu thereof "titles II, III, VI, and VII."

(b) Section 2 of such act, as amended, is hereby amended:

(1) by striking out "\$165,000,000" in subsection (a) and inserting in lieu thereof "\$200,000,000";

(2) by striking out "\$3,000" in subsection (b) and inserting in lieu thereof "\$4,500";

(3) by striking out the first proviso in the first sentence of subsection (b) and inserting in lieu thereof the following: "Provided, That insurance may be granted to any such financial institution with respect to any obligation not in excess of \$10,000 and having a maturity not in excess of 7 years and 32 days representing any such loan, advance of credit, or purchase made by it if such loan, advance of credit, or purchase is made for the purpose of financing the alteration, repair, improvement, or conversion of an existing structure in order to provide additional housing accommodations for two or more families:"

(4) by amending the last sentence of subsection (b) to read as follows: "The Administrator is authorized to prescribe such procedures as in his judgment are necessary to secure to veterans of World War II and their immediate families occupancy priority with respect to any additional housing accommodations referred to in the first proviso of this subsection."

(c) Section 5 of such act, as amended, is hereby amended to read as follows:

"SEC. 5. The Administrator shall make an annual report to the Congress not later than the 1st day of April in each year of his activities during the preceding calendar year under this title and titles II, III, VI, and VII of this act."

TITLE II—DISPOSAL OF GOVERNMENT-OWNED PERMANENT WAR-HOUSING ACCOMMODATIONS

DEFINITIONS

SEC. 201. For the purposes of this title—

(1) The term "Administrator" means the Housing and Home Finance Administrator.

(2) The term "Lanham War Housing Act" means the act entitled "An act to expedite the provision of housing in connection with

national defense, and for other purposes," approved October 14, 1940, as amended.

(3) The term "war housing" means any interest, owned by the United States and under the control of the Housing and Home Finance Agency, in (A) housing (other than temporary housing) acquired or constructed under the Lanham War Housing Act, under the Second Supplemental National Defense Appropriation Act, 1941 (Public No. 781, 76th Cong.), as amended, under the Urgent Deficiency Appropriation Act, 1941 (Public Law 9, 77th Cong.), or under the Second Deficiency Appropriation Act, 1944 (Public Law 375, 78th Cong.), and (B) such other property as is determined by the Administrator to be essential to the use of such housing.

(4) The term "veteran" means (A) any person who served in the active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war, and who has been discharged or released therefrom under conditions other than dishonorable after active service of 90 days or more or by reason of an injury or disability incurred in service in line of duty, or (B), during the present war, any person in the active military or naval service of the United States.

(5) The term "dwelling" means a war-housing building designed for residential use of one or more families.

(6) The term "dwelling unit" means a dwelling, or that part of a dwelling, which is designed for residential use of one family.

SALE OF WAR HOUSING

SEC. 202. (a) All war housing (except mortgages, liens, or other interests as security) shall, subject to the provisions of this title, be sold for cash as expeditiously as possible and not later than December 31, 1949. Wherever practicable each dwelling in a war housing project shall be offered for sale separately from other dwellings in such project. Any mortgage, lien, or other interest in war housing held by the Administrator or acquired by him pursuant to a contract entered into prior to February 26, 1947, may, subject to the provisions of this section, be sold for cash.

(b) (1) Except as provided in paragraph (2) of this subsection, the price to be paid for war housing sold under this title shall be a price not less than the reasonable value thereof at the time of the offer for sale as determined by appraisal made by an appraiser or appraisers designated by the Federal Housing Commissioner.

(2) The price to be paid for any mortgage, lien, or other interest as security sold under this section shall be a price not less than the unpaid principal (plus accrued interest thereon) of the obligation with respect to which the mortgage, lien, or other interest as security is held.

(c) Except as provided in subsection (a) and (b), the sale of war housing under this title shall be with or without warranty and upon such other terms and conditions as the Administrator deems proper.

TRANSFER OF WAR HOUSING TO THE NATIONAL MILITARY ESTABLISHMENT

SEC. 203. Notwithstanding the provisions of this title or any other provision of law, the Administrator may, in his discretion, transfer to the jurisdiction of the appropriate department in the National Military Establishment any war housing situated within the proximate vicinity of any permanent Army, Navy, or Air Force Establishment if the transfer of such war housing was requested on or before April 15, 1947, by the Secretary of War or the Secretary of the Navy.

PREFERENCES

SEC. 204. (a) Preference in the purchase of any dwelling designed for occupancy by less

than five families shall be granted to veterans and their families and to occupants over other prospective purchasers of such dwelling in the following order:

(1) A veteran and his family who occupy a dwelling unit in the dwelling to be sold.

(2) A veteran and his family who do not occupy a dwelling unit in the dwelling to be sold but who intend to occupy a dwelling unit in the dwelling to be purchased; but if the dwelling is designed for occupancy by two, three, or four families, equal preference shall be granted to a private corporation, association, or cooperative society which is the legal agent of veterans and their families who intend to occupy the dwelling purchased by such corporation, associations, or society.

(3) A nonveteran who occupies a dwelling unit in the dwelling to be sold.

(b) In the case of any war housing project where it is not practicable to offer each dwelling for sale separately from other dwellings in the project and in the case of any dwelling designed for occupancy by more than four families, preference in the purchase thereof shall be granted to any private corporation, association, or cooperative society which is the legal agent of veterans who intend to occupy the war housing purchased by such corporation, association, or society.

(c) The Administrator shall give such notice in such manner as he deems reasonable to enable prospective purchasers who have a preference under this section in the purchase of war housing to exercise such preference. Any prospective purchaser having a preference under subsection (a) in the purchase of any dwelling may apply for the purchase of such dwelling (1) if the preference is under paragraph (1), within 30 days after the date of the notice of the offer for sale, (2) if the preference is under paragraph (2), within 60 days after the date of the notice of the offer for sale, and (3) if the preference is under paragraph (3), within 90 days after the date of the notice of the offer for sale. Any corporation, association, or society having a preference under subsection (b) in the purchase of any war housing may apply for the purchase of such housing within 180 days after the date of the notice of the offer for sale.

SALES WITHOUT PREFERENCE

SEC. 205. If any dwelling or war housing project is not sold to a purchaser who is granted a preference under section 204 and who applied within the time prescribed in subsection (c) of such section, such dwelling or war housing project shall be sold as provided in this title without regard to any preferences granted under section 204 and without regard to any restrictions contained in any other law as to whom war housing may be sold.

TITLE OF PURCHASER

SEC. 206. A deed or other instrument executed by or on behalf of the Administrator purporting to transfer title or any other interest in property under this title shall be conclusive evidence of compliance with the provisions of this title insofar as title or other interest of any bona fide purchasers for value is concerned.

VALIDITY OF CONTRACTS

SEC. 207. Nothing in this title shall be deemed to impair or modify any contract entered into prior to February 26, 1947, for the sale of property, or any term or provision of any such contract, without the consent of the purchaser or his assignee, if the contract or the term or provision thereof is otherwise valid.

DISPOSITION OF PROCEEDS

SEC. 208. Moneys derived by the Administrator from the disposition of war housing under this title shall be covered into the Treasury as miscellaneous receipts.

18. HOUSING. Passed, 318-90, as reported H. R. 6959, the housing bill, without the rural-housing title (pp. 9022-47).
19. SELECTIVE SERVICE. Passed, 283-130, with amendments S. 2655, the selective-service bill (pp. 8986-8). Conferees were appointed (p. 8988).
20. ARMY MILITARY APPROPRIATION BILL. House conferees were appointed on this bill, H. R. 6771 (p. 8986).
21. DISPLACED PERSONS. Agreed to the conference report on S. 2242, to permit entry of 200,000 displaced persons into the U. S., of whom at least 30% must be farm workers (pp. 9004-13).
22. INTERIOR APPROPRIATION BILL. Agreed to the conference report on this bill, H. R. 6705 (pp. 8998-9).
23. FOOD AND DRUG ADMINISTRATION. Agreed to the conference report on H. R. 4071, to increase the powers of this agency regarding seizures of foods, etc. (pp. 8996-7). This bill will now be sent to the President.
24. FOREIGN RELIEF. Passed as reported S. 2376, to provide a revolving fund for purchase of agricultural commodities and raw materials to be processed in occupied areas and sold (pp. 9078-81).
25. WATER POLLUTION. Agreed to the conference report on S. 418, to provide for water-pollution control through the Public Health Service (p. 9013).
26. RECLAMATION. Concurred in the Senate amendment to H. R. 3218, authorizing an emergency fund for the Bureau of Reclamation to assure continuous operation of its projects (p. 9015). This bill will now be sent to the President.
27. POSTAL RATES. Passed as reported H. R. 6916, to provide for permanent postal rates and additional compensation for certain P. O. employees (pp. 9052-66).
28. SUPPLEMENTAL INDEPENDENT OFFICES APPROPRIATION BILL. House conferees were appointed on this bill, H. R. 6829 (p. 9073).
29. AGRICULTURE INVESTIGATIONS. Agreed, without amendment, to H. Res. 676, providing \$5,000 for the Agriculture Committee (p. 9086).
30. COMMODITY-EXCHANGE INVESTIGATION. Agreed, without amendment, to H. Res. 674, providing \$10,000 for the Andresen Committee (p. 9086).
31. VIRGIN ISLANDS. Passed, 132-9, as reported H. R. 5904, to incorporate the Virgin Islands Corporation (pp. 9087-91).
32. RECLAMATION. Agreed to the conference report on H. R. 5416, to promote the interest of the Fort Hall Indian irrigation project, Idaho (p. 9103).
33. COMMODITY SPECULATION. Rep. Rankin, Miss., discussed the charges against Linder, MacDonald, and Harris (p. 9105).
34. FOREST LANDS. The Public Lands Committee reported without amendment S. 580, to transfer certain O&G lands from the Forest Service to the Interior Department (H. Rept. 2413) (p. 9107).
35. PERSONNEL; ECONOMY. The Post Office and Civil Service Committee submitted a

report on the relation of new functions of the departments and agencies to increased civilian employment in the executive branch (H. Rept. 2412)(p.9107).

36. DISASTER RELIEF. Passed S. 2877, providing \$10,000,000 additional authority for disaster loans by RFC (p. 9092). The Senate version would have provided \$20,000,000 additional.

SENATE - June 19

37. SELECTIVE SERVICE. Both Houses agreed to the conference report on S. 2655, the selective-service bill; the House vote was 259-136 (pp. 9137-71, 9357-81). This bill will now be sent to the President.
38. INTERIOR APPROPRIATION BILL. Agreed to the conference report on this bill, H. R. 6705 (pp. 9171-3). This bill will now be sent to the President.
39. CCC CHARTER. Conferees on this bill, S. 1322, were appointed in both Houses (pp. 9173-5, 9376-7).
40. WATER POLLUTION. Agreed to the conference report on S. 418, to provide for water-pollution control through the Public Health Service (p. 9175). This bill will now be sent to the President.
41. DISPLACED PERSONS. Agreed to the conference report on S. 2242, to permit entry of displaced persons into the U. S. (pp. 9176-88, 9190-6). This bill will now be sent to the President.
42. GOVERNMENT CORPORATIONS APPROPRIATION BILL. Both Houses agreed to the conference report on this bill, H. R. 6481, and acted on disagreement amendments (pp. 9177, 9188-90, 9263, 9339-53). This bill will now be sent to the President. As finally passed, the bill includes changes as follows: Authorizes payment by the Federal intermediate credit banks to FCA of not over \$330,000 (House, \$373,600; Senate, \$223,600). Authorizes not over \$1,500,000 for administrative expenses of the production credit corporations (Senate figure; House, \$1,350,000). Provides that the production credit corporations shall return Government capital of at least \$30,000,000 (House, \$60,000,000; Senate, \$20,000,000), and that such capital be carried to the surplus fund of the Treasury instead of being returned to the corporations revolving fund, as proposed by the Senate. Authorizes not over \$146,800 for RACC administrative expenses (Senate figure; House, \$46,800). Authorizes payment by RACC to FCA of not over \$21,000 (Senate figure; House, \$12,500). Does not include the Senate provision for a \$12,000 salary for the FCA Governor. Retains the fur-farmer loan provision in modified form. Strikes out TVA steam-plant provision.
43. VIRGIN ISLANDS. Conferees were appointed, in both Houses, on H. R. 5904, to incorporate the Virgin Islands Corporation (pp. 9182, 9378).
44. SECOND DEFICIENCY APPROPRIATION BILL. Passed with amendments this bill, H. R. 6935 (pp. 9217-26). Conferees were appointed in both Houses (pp. 9226, 9353). In addition to the committee amendments, agreed to an amendment by Sen. Murray, Mont. (for himself and Sens. Hill and Ball), to provide \$450,000 additional for administrative expenses of REA (pp. 9222-3).
45. INDEPENDENT OFFICES SUPPLEMENTAL APPROPRIATION BILL. Both Houses agreed to the conference report on this bill, H. R. 6829 (pp. 9264, 9353-5). This bill will now be sent to the President. The conferees eliminated the Senate amendment

COMMODITY CREDIT CORPORATION CHARTER ACT

JUNE 19, 1948.—Ordered to be printed

Mr. WOLCOTT, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 1322]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Commodity Credit Corporation Charter Act".

SEC. 2. CREATION AND PURPOSES.—*For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as "agricultural commodities"), and of facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to be known as Commodity Credit Corporation (hereinafter referred to as the "Corporation"), which shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general direction and control of its Board of Directors.*

SEC. 3. OFFICES.—*The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business.*

SEC. 4. GENERAL POWERS.—*The Corporation—*

(a) *Shall have succession in its corporate name.*

(b) *May adopt, alter, and use a corporate seal, which shall be judicially noticed.*

(c) *May sue and be sued, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Cor-*

poration or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction of all suits brought by or against the Corporation: Provided, That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit by or against the Corporation shall be allowed unless it shall have been brought within four years after the right accrued on which suit is brought. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this Act, the Federal Tort Claims Act (Public Law 601, Seventy-ninth Congress) shall be applicable to the Corporation. Any suit by or against the United States as the real party in interest based upon any claim by or against the Corporation shall be subject to the provisions of this subsection (c) to the same extent as though such suit were by or against the Corporation.

(d) May adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised.

(e) Shall have all the rights, privileges, and immunities of the United States with respect to the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding.

(f) Shall be entitled to the use of the United States mails in the same manner and upon the same conditions as the executive departments of the Federal Government.

(g) May enter into and carry out such contracts or agreements as are necessary in the conduct of its business. State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements.

(h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. Except as provided in section 16, the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business and it may continue to lease (by renewing or extending existing leases or entering into new leases) property leased by it on the date of the enactment of this Act.

(i) May borrow money subject to any provision of law applicable to the Corporation: Provided, That the total of all money borrowed by the Corporation, other than trust deposits and advances received on sales, shall not at any time exceed in the aggregate \$4,750,000,000. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid.

(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers.

(l) May make such loans and advances of its funds as are necessary in the conduct of its business.

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

SEC. 5. SPECIFIC POWERS.—In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 edition, Supp. V, 841), the Corporation is authorized to use its general powers only to—

(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

(c) Procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

(e) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities.

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

SEC. 6. EXISTING STATUTES APPLICABLE TO THE CORPORATION.—The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the Corporation. Commodity Credit Corporation, a Delaware corporation, shall cease to be an agency of the United States as provided in section 7 (a) of the Act of January 31, 1935, as amended (15 U. S. C., 1940 edition, Supp. V, 713 (a)).

SEC. 7. CAPITAL STOCK.—The Corporation shall have a capital stock of \$100,000,000 which shall be subscribed by the United States.

Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this Act. The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the Act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), as amended, at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

SEC. 8. FUNDS.—The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it.

SEC. 9. DIRECTORS.—The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board"). The Board shall consist of five members. The Secretary of Agriculture, or his nominee shall be a member of the Board and the remaining members shall be appointed by the President by and with the advice and consent of the Senate. The Chairman of the Board shall be selected by the Board. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present. The appointed directors shall serve for a period of five years, except that the terms of the first Board shall be shortened to provide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States. The Corporation may provide, by its bylaws, for the compensation to be paid the directors: Provided, That the compensation paid any director shall not exceed in the aggregate \$10,000 per annum: And provided further, That employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the Board. Employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not comprise, in the aggregate, more than three of the members of the Board.

The Secretary of Agriculture is authorized to appoint an interim Board consisting of five members, including the Secretary, who shall serve until October 1, 1948.

SEC. 10. THE EXECUTIVE STAFF.—Responsibility for the day-to-day conduct of the business of the Corporation shall be vested in a staff of executive officers, headed by a chief executive appointed by the Board and responsible to the Board. Members of the executive staff shall devote their full time to the affairs of the Corporation. The Board shall define the authority and duties of the members of the executive staff, delegate to them such of the powers vested in the Corporation as it may determine, require that such of them as it may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds of any officer or employee. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 edition, 661).

SEC. 11. COOPERATION WITH OTHER GOVERNMENTAL AGENCIES.—The Corporation may, with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the

Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivision thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation, be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, in the performance of any part or all of the functions of such agency.

SEC. 12. UTILIZATION OF ASSOCIATIONS AND TRADE FACILITIES.—The Corporation may, in the conduct of its business, utilize on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities.

SEC. 13. RECORDS; ANNUAL REPORT.—The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation, a copy of which shall be forwarded by the Secretary of Agriculture to the President for transmission to the Congress.

SEC. 14. INTEREST OF MEMBERS OF THE CONGRESS.—The provisions of section 1 of the Act of February 27, 1877, as amended (41 U. S. C., 1940 edition, 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 15. CRIMES AND OFFENSES.—

FALSE STATEMENTS; OVERVALUATION OF SECURITIES

(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another, money, property, or anything of value, under this Act, or under any other Act applicable to the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment by not more than five years, or both.

EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION

(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (i) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (ii) with intent to defraud the Corporation, or any other body, politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (iii) with intent to defraud the Corporation, participates or shares in, or receives directly or indirectly any money,

profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

LARCENY; CONVERSION OF PROPERTY

(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

GENERAL STATUTES APPLICABLE

(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: Provided, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: Provided further, That sections 114 and 115 of the Act of March 4, 1909, as amended (18 U. S. C., 1940 edition, 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT CORPORATION, A DELAWARE CORPORATION.—The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation: Provided, That nothing in this Act shall limit or extend any period of limitation otherwise applicable to such claims against the Corporation.

SEC. 17. DISSOLUTION OF DELAWARE CORPORATION.—The Secretary of Agriculture, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

SEC. 18. *EFFECTIVE DATE.*—*This Act shall take effect as of midnight June 30, 1948.*

And the House agree to the same.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.

GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,
ELMER THOMAS,
ALLEN J. ELLENDER,

Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment to the bill struck out all after the enacting clause and inserted a substitute amendment. The committee of conference recommend that the Senate recede from its disagreement to the amendment of the House with an amendment which is a substitute for both the Senate bill and the House amendment and that the House agree to the same.

In general the conference substitute follows the language of the House amendment. The major differences between the conference substitute and the House amendment are indicated below.

The Senate bill provided that Commodity Credit Corporation shall have the immunities of the United States from State statutes of limitations. The House amendment did not contain such a provision. Under the conference substitute a 4-year statute of limitations will apply to suits brought by or against the Corporation.

Under the House amendment not more than two employees of the Corporation or any department or agency of the Federal Government could serve as directors of the Corporation. The conference substitute increases this number to three.

The conference substitute contains a provision not in the House amendment authorizing the Secretary of Agriculture to appoint an interim board consisting of five members, including the Secretary, who shall serve until October 1, 1948.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.

Public land and unit discoveries since Jan. 1, 1947 (northwestern region)—Continued

Field	Serial	Location	Year of discovery	Type of discovery	Estimated reserves discovered
Wyoming:					Barrels
Adon (unit)	Buffalo 038017	2-52N-72W	1947	New field	500,000
East Lance Creek (unit)	Cheyenne 060101	26-36N-64W	1948	Extension	1,000,000
Do	Cheyenne 060101	26-36N-64W	1948	New pool (converse)	200,000
Do	Cheyenne 060101	26-36N-64W	1948	New pool (Leo)	600,000
Elk Basin (unit)	Patented land		1947	New pool (Madison)	104,100,000
Hatfield	Cheyenne 032122 (a)	2-19N-88W	1947	New pool (Tensleep)	3,200,000
Lost Soldier	Cheyenne 065546	3-26N-90W	1948	New pool (Madison)	30,000,000
Do	Cheyenne 065546	3-26N-90W	1948	New pool (Cambrian)	12,000,000
Big Medicine Bow	Cheyenne 032201 (a)	26-21N-79W	1948	New pool (Tensleep)	5,250,000
Mush Creek	Cheyenne 037630	15-44N-63W	1947	Extension	6,500,000
Neiber (unit)	Buffalo 037645	19-45N-92W	1947	New pool (Embar)	6,000,000
Pitchfork (unit)	Cheyenne 044259 (a)	11-48N-102W	1948	New pool (Madison)	600,000
South Sand Creek	Buffalo 037919	26-46N-81W	1947	New field	8,500,000
Seven Mile	Cheyenne 068646	8-17N-77W	1947	do	1,035,000
South Fork	Buffalo 037915	24-46N-92W	1947	do	1,000,000
Wertz Dome (unit)	Cheyenne 064912	1-26N-90W	1948	New pool (Madison)	18,000,000
Do	Cheyenne 029520 (b)	1-26N-90W	1948	New pool (Armsden)	6,000,000
West Poison Spider (unit)	Cheyenne 073678	11-33N-84W	1948	New pool (Frontier)	20,000,000
Worldan (unit)	Patented land		1947	New pool (Embar)	28,000,000
Do	do		1947	New pool (Tensleep)	2,000,000
Alkali Butte (unit)	Cheyenne 045483	1-33N-95W	1947	New pool (Embar)	(1)
South Shoshone (unit)	Cheyenne 071173	25-50N-105W	1947	New field	(1)
Badger Basin	Cheyenne 069170	7-57N-101W	1947	Extension	(1)
East Antelope (unit)	Cheyenne 067655	26-27N-93W	1947	New field	
Pine Mountain	Cheyenne 067682	26-35N-84W	1947	do	
Sage Creek (unit)	Cheyenne 067759	6-57N-97W	1948	New pool (Madison)	Testing
Total					255,285,000

1 No estimate.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HATCH. The Senator from Wyoming embarrasses me greatly. Needless to say, however, I deeply appreciate the most kind remarks he has just made.

However, it is not in connection with that matter that I desired that he yield to me.

I wish to refer to the Mineral Leasing Act which he has just discussed. I was not aware of the figures he has placed in the RECORD. I know that both the Senator from Wyoming and I were prompted by the matters he has mentioned and by the strong desire to secure exploration and development in the western States.

I have not been able to keep up with the matter in the other States, but I have watched with great interest and gratification the development which has occurred in New Mexico, in large part as a result of this act. I may say now that it has even exceeded my fondest expectations. More pools are being discovered in New Mexico now than ever before, and a great part of that is due to this Minerals Leasing Act.

FEDERAL CHARTER FOR COMMODITY CREDIT CORPORATION

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, which was, to strike out all after the enacting clause and insert:

TITLE I.—COMMODITY CREDIT CORPORATION CHARTER

SEC. 1. This title may be cited as the "Commodity Credit Corporation Charter Act."

SEC. 2. Creation and purposes: For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as "agricultural commodities"), and of facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to

be known as Commodity Credit Corporation (hereinafter referred to as the "Corporation"), which shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general direction and control of its Board of Directors.

SEC. 3. Offices: The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business.

SEC. 4. General powers: The Corporation—
(a) Shall have succession in its corporate name.

(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.

(c) May sue and be sued, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction of all suits brought by or against the Corporation: *Provided*, That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit against the Corporation shall be allowed unless it is shall have been brought within 4 years after the right accrued on which suit is brought. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this act, the Federal Tort Claims Act (Public Law 601, 79th Cong.) shall be applicable to the Corporation. Any suit by or against the United States as the real party in interest based upon any claim by or against the Corporation shall be subject to the provisions of this subsection (c) to the same extent as though such suit were by or against the Corporation.

(d) May adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised.

(e) Shall have all the rights, privileges, and immunities of the United States with respect to the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding.

(f) Shall be entitled to the use of the United States mails in the same manner and

upon the same conditions as the executive departments of the Federal Government.

(g) May enter into and carry out such contracts or agreements as are necessary in the conduct of its business. State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements.

(h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. Except as provided in section 16, the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business, and it may continue to lease (by renewing or extending existing leases or entering into new leases) property leased by it on the date of the enactment of this act.

(i) May borrow money subject to any provision of law applicable to the Corporation: *Provided*, That the total of all money borrowed by the Corporation, other than trust deposits and advances received on sales, shall not at any time exceed in the aggregate \$4,750,000,000. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid.

(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers.

(l) May make such loans and advances of its funds as are necessary in the conduct of its business.

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are

customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

SEC. 5. Specific powers: In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 ed., Supp. V, 841), the Corporation is authorized to use its general powers only to—

(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

(c) Procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

(e) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities.

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

SEC. 6. Existing statutes applicable to the Corporation: The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the Corporation, Commodity Credit Corporation, a Delaware corporation, shall cease to be an agency of the United States as provided in section 7 (a) of the act of January 31, 1935, as amended (15 U. S. C., 1940 ed., Supp. V, 713 (a)).

SEC. 7. Capital stock: The Corporation shall have a capital stock of \$100,000,000 which shall be subscribed by the United States. Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this act. The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), as amended, at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

SEC. 8. Funds: The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it.

SEC. 9. Directors: The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the

"Board"). The Board shall consist of five members. The Secretary of Agriculture, or his nominee, shall be a member of the Board and the remaining members shall be appointed by the President by and with the advice and consent of the Senate. The Chairman of the Board shall be selected by the Board. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present. The appointed directors shall serve for a period of 5 years, except that the terms of the first Board shall be shortened to provide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States. The Corporation may provide, by its bylaws, for the compensation to be paid the directors: *Provided*, That the compensation paid any director shall not exceed in the aggregate \$10,000 per annum: *And provided further*, That employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the Board. Employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not comprise, in the aggregate, more than one-half the members of the Board.

SEC. 10. The executive staff: Responsibility for the day-to-day conduct of the business of the Corporation shall be vested in a staff of executive officers, headed by a chief executive appointed by the Board and responsible to the Board. The executive staff shall include a controller. Members of the executive staff shall devote their full time to the affairs of the Corporation. The Board shall define the authority and duties of the members of the executive staff, delegate to them such of the powers vested in the Corporation as it may determine, require that such of them as it may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds of any officer or employee. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 ed., 661).

SEC. 11. Cooperation with other governmental agencies: The Corporation may, with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivision thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation, be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, in the performance of any part or all of the functions of such agency.

SEC. 12. Utilization of associations and trade facilities: The Corporation may, in the conduct of its business, utilize on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities.

SEC. 13. Records; annual report: The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of

the Corporation, a copy of which shall be forwarded by the Secretary of Agriculture to the President for transmission to the Congress.

SEC. 14. Interest of Members of the Congress: The provisions of section 1 of the act of February 27, 1877, as amended (41 U. S. C., 1940 ed., 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 15. Crimes and offenses—

FALSE STATEMENTS; OVERVALUATION OF SECURITIES

(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another, money, property, or anything of value, under this act, or under any other act applicable to the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment by not more than 5 years, or both.

EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION

(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (i) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (ii) with intent to defraud the Corporation, or any other body, politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (iii) with intent to defraud the Corporation, participates or shares in, or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine or not more than \$10,000 or by imprisonment for not more than 5 years, or both.

LARCENY; CONVERSION OF PROPERTY

(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

GENERAL STATUTES APPLICABLE

(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the act of March 4, 1909, as amended (18 U. S. C., 1940 ed., 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 16. Transfer of assets of Commodity Credit Corporation, a Delaware corporation: The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation: *Provided*, That nothing in this act shall limit or extend any period of limitation otherwise applicable to such claims against the Corporation.

SEC. 17. Dissolution of Delaware Corporation: The Secretary of Agriculture, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

SEC. 18. Effective date: This title shall take effect as of midnight June 30, 1948.

TITLE II—AMENDMENTS TO EXISTING LAW

SEC. 201. Section 8 (a) of the Stabilization Act of 1942, as amended (U. S. C., 1940, ed., Supp. V, title 50, sec. 968), is amended by striking out "before the expiration of the 2-year period beginning with the 1st day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated" and by inserting in lieu thereof "on or before December 31, 1950."

SEC. 202. Section 4 (a) of the act entitled "An act to extend the life and increase the credit resources of the Commodity Credit Corporation, and for other purposes," approved July 1, 1941 (U. S. C., 1940 ed., Supp. V, title 15, sec. 713a-8 (a)), is amended by striking out "the expiration of the 2-year period beginning with the 1st day of January immediately following the date upon which the President by proclamation or the Congress by concurrent resolution declares that hostilities in the present war have terminated" and by inserting in lieu thereof "December 31, 1950."

Mr. AIKEN. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. AIKEN, Mr. YOUNG, Mr. THYE, Mr. THOMAS of Oklahoma, and Mr. ELLENDER conferees on the part of the Senate.

POLLUTION CONTROL ACTIVITIES IN THE PUBLIC HEALTH SERVICE

Mr. MALONE. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of the conference report on Senate bill 418, a bill to provide for water-pollution control activities in the Public Health Service of the Federal Security Agency and in the Federal Works Agency, and for other purposes.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada?

There being no objection, the Senate proceeded to consider the report, which was read by the Chief Clerk, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 418) to provide for water pollution control activities in the Public Health Service of the Federal Security Agency and in the Federal Works Agency, and for other purposes having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with amendments, as follows: Page 2, line 12, of the amendment of the House, strike out the words "hereinafter declared to be a public nuisance"; page 2, lines 13 and 14, of the amendment of the House, strike out the words "such interstate waters and tributaries thereof" and insert the following words "surface and underground waters"; page 9, line 11, of the amendment of the House, strike out the figure "\$200,000" and insert the figure "\$250,000"; page 11, line 25, of the amendment of the House, strike out the figure "\$20,000,000" and insert the figure "\$22,500,000"; page 12, line 25, of the amendment of the House, after the words "study of" insert the word "water", and strike out the word "of" after the word "pollution"; page 13, line 1, of the amendment of the House, strike out the words "interstate waters"; page 13, line 2, of the amendment of the House, before the word "pollution" insert the word "water", and after the word "pollution" strike out the words "of interstate waters"; page 14, line 17 through line 23, of the amendment of the House, strike out all after the words "Sec. 9 (a)" and insert the following: "Five officers may be appointed to grades in the Regular Corps of the Public Health Service above that of senior assistant, but not to a grade above that of director, to assist in carrying out the purposes of this act. Officers appointed pursuant to this subsection in any fiscal year shall not be counted as part of the 10 per centum of the original appointments authorized to be made in such year under section 207 (b) of the Public Health Service Act; but they shall for all other purposes be treated as though appointed pursuant to such section 207 (b)."

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

LABOR DISPUTE AT OAK RIDGE NATIONAL LABORATORY—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 726)

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying papers, was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

Pursuant to the Labor-Management Relations Act, 1937, it is my duty to report to the Congress concerning the labor dispute which recently existed at the Oak Ridge National Laboratory.

The important facts concerning the dispute may be summarized as follows:

The Oak Ridge National Laboratory is Government-owned. Some 2,350 persons are there engaged in important atomic-energy research, but not directly in production of fissionable materials or weapons.

The dispute was between the Carbide & Carbon Chemicals Corp., and the

Atomic Trades and Labor Council, affiliated with the American Federation of Labor. The corporation operates the Laboratory under a cost-plus-fixed-fee contract with the Atomic Energy Commission. The corporation also operates two other important plants of the atomic-energy installation at Oak Ridge. The council represents some 900 employees who perform maintenance, operating, and service functions at the Laboratory.

The recent dispute resulted from the failure of negotiations concerning both wages and working conditions. These negotiations were begun with the predecessor contractor in the latter part of November 1947 and continued with Carbide & Carbon Chemicals Corp. beginning February 9, 1948.

It is clear that there was a difference in objectives sought by the council and the corporation. On the one hand, the council desired to preserve differentials over the two nearby atomic-energy plants as to wage rates and conditions of employment—differentials which have been in existence in the Laboratory since its beginning. On the other hand, the corporation desired uniformity of wage rates and conditions of employment and the elimination of the Laboratory differentials.

In a union meeting held Sunday, February 29, the employees voted to strike unless settlement were made by Friday, midnight, March 5, and this intention was reaffirmed by another meeting on the night of March 3. Accordingly, on March 5, I issued Executive Order 9934, creating a board of inquiry pursuant to the Labor-Management Relations Act. At my request, both parties agreed to maintain the status quo until March 19.

On March 15 the board of inquiry submitted to me its first report. It found the existence of a labor dispute at the Oak Ridge National Laboratory, and it advised me of the facts of that dispute. It further found that grave danger to the national safety would result if the operations of the Laboratory were interrupted.

Thereupon, at my request, the Attorney General on March 19 instituted an action and obtained an injunction in the United States District Court for the Eastern District of Tennessee. This order enjoined both the corporation and the council, and all persons in active participation with them, from engaging in any strike or lock-out or from interfering with normal continuance of work, or from making any change in terms or conditions of employment other than by mutual agreement.

On March 24, I reconvened the Board of Inquiry. Negotiations between the parties continued, with the assistance of the Federal Mediation and Conciliation Service. On May 18 the Board of Inquiry submitted to me its second report, stating that the position of the parties remained unaltered and the dispute unsettled.

On June 1 and 2 the National Labor Relations Board conducted a secret ballot of the employees to ascertain whether they wished to accept the final offer of settlement as stated and made by the

education and life plans. It should be for 1 year only.

It is not my purpose to delay or defeat this measure. But I would suggest that this conference report be voted down, so that a preferential motion may be offered directing the managers on the part of the House to insist on the Coudert amendment, which fixes the period of service at 12 months. If the conference report is voted down, it is my understanding such a motion will be offered, and I shall support it.

If this conference report is voted down the legislation is not killed, it merely means that managers must confer further.

Mr. ANDREWS of New York. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HAVENNER].

(Mr. HAVENNER asked and was given permission to revise and extend his remarks.)

Mr. HAVENNER. Mr. Speaker, the atmosphere of the National Capital today is filled with military propaganda. Earlier in the day I listened to a radio broadcast of a review of General Stillwell's recently published book. The reviewer quoted the retired general as criticizing a former President of the United States for "meddling too much in military affairs." Here is a concise illustration of the arrogance of militarism, which would denounce even the Commander in Chief of the armed forces of this Nation if he presumed to say how he thought the Military Establishment should be conducted.

In a news dispatch from Denver published today the present Chief of Staff of the Army, General Bradley, is reported to have delivered a prepared speech in that city last night in which he criticized this Congress for "vacillation, timidity, and for blundering into a costly retreat."

Regardless of the merits of this criticism, I think that the spectacle of the head of the Army making a political speech directed against this Congress is a proper subject for an investigation by the Subcommittee on Publicity and Propaganda of the House Committee on Expenditures in the Executive Departments. That subcommittee has recently issued a well-deserved rebuke to the officials and employees of the War Department for expending tax funds in publicity and propaganda campaigns designed to influence public sentiment in favor of compulsory military service. I suggest that this committee ascertain whether the cost of General Bradley's trip to Denver to make a political speech was paid for out of tax funds, and if not, whether a general of the Army is authorized by law to devote his official time, which is paid for by the taxpayers, to such a political junket.

My colleagues of the House, you will be called upon in a very short while to cast one of the most fateful votes in the history of the Congress of the United States—a vote on the question whether permanent peacetime compulsory military training service shall become the law of the land.

I want to emphasize now that the bill which is here presented to you does not

resemble in many essential provisions the bill which was passed by the House this week after many hours of debate and amendments. I call your attention to the fact that the Shafer amendment, which was adopted by the House by a three to two vote, has been thrown out the window. Indeed almost the whole House bill was thrown out of the window, and our conferees have accepted, instead, as the recent reading of the report of the managers indicated to you—our conferees have accepted in almost every important instance the Senate bill in toto.

Mr. Speaker, the Senate bill has never been considered in the House until this time, but that is the bill which the military high command prefers, and that is the bill which will be crammed down our throats tonight unless the House of Representatives exercises its constitutional authority and rejects it. By your votes on this measure tonight, my colleagues, you will decide whether the historic policy of Thomas Jefferson, that civil authority shall be superior to military authority in time of peace, shall continue to be the policy of the United States of America, or whether this traditional free government shall adopt for the first time in its glorious career a policy of peacetime compulsory militarism for all of our people.

Mr. Speaker, I repeat what I have said before on two previous occasions: This bill is intended to put into effect a permanent policy of the Government of the United States. I want to illustrate again my statement. The record of the hearings before the Armed Services Committee is filled with statements by the spokesmen for the Military Establishment that if this bill is enacted, it will remain in effect until you get universal military training.

Mr. ANDREWS of New York. Mr. Speaker I yield 8 minutes to the gentleman from Michigan [Mr. SHAFER].

(Mr. SHAFER asked and was given permission to revise and extend his remarks.)

Mr. SHAFER. Mr. Speaker, I do not intend to become vindictive in the statement I make tonight. My heart goes out to the House conferees on this bill.

I understand the conferees have come back to us and, according to the reading of the report, after one of the most grueling conferences ever held in the history of our Government.

Mr. Speaker, it was a knock-down, drag-out fight. There is no question about it. Our conferees punched and they punched and they exerted every effort to keep the House amendments in this draft bill. There is no doubt about that. But, Mr. Speaker, our friends met a superior force, and they have had to return to us with heads bloody but unbowed.

I understand my good friend and colleague, one whom I love, the gentleman from Missouri, DEWEY SHORT, was the only conferee standing at the end of this vicious battle. He was somewhat saddened, but he was not beaten. His signature was not on the conference report.

Of course, Mr. Speaker, I foresaw the result of this bloody conflict even before

it was staged. That is the reason I voted "no," even after my amendment to delay inductions until the Army had made an honest effort to obtain recruits was agreed to.

While I am sure the House conferees battled hard to keep my amendment in the bill, I anticipated the victory of the more numerous forces. In throwing out the Shafer amendment the managers on the part of the Senate—the Senate, if you please—flagrantly disregarded the will of the House, especially as to the Shafer and the Coudert amendments. I think we should give our House conferees a good rubdown, a little shot in the arm, and anything else that is necessary, and send them back into the fray. We should insist upon the Shafer and the Coudert amendments.

I am sure, Mr. Speaker, that our conferees do not want the Army and the Navy to have the best football teams again. This draft act goes into effect immediately. The boys are registered right away; inducted in 90 days, and by the time the football season opens all of our good stars will be out of our best teams, with only the IV-F's left. Michigan, Illinois, Southern California, as well as other great teams will be without first-class players while all the good ones will remain at West Point and Annapolis, as happened during the war.

Again, the Army and Navy may proclaim the greatest teams. Mr. Speaker, let us make it possible—and we will do so under this bill—to keep Notre Dame and Michigan in the same standard as the Army and the Navy.

Do not let anybody fool you about the Presidential proclamation for it has been taken out of the bill.

The Shafer amendment that won by a vote of 135 to 90 in the House was given no consideration by this conference.

Mr. Speaker, I would not for a moment oppose this draft if I thought it were necessary. If I thought it were needed I would be the first one to say: "Go ahead, boys, put it into effect." But there is not a Member of this House; there is not a high official of the Army or Navy, or the State Department, who can come here today and make a case for this act. Every Member of this House knows this as well as a great many of our news commentators. Just tonight I asked permission to extend my remarks in the RECORD to include a commentary by David Lawrence which appeared in last night's Washington Star, stating that neither the Army nor the State Department have made a case for enactment of this draft legislation.

The draft is unnecessary. Mr. Speaker, let us return this report to the conference committee.

THE SPEAKER. Will the gentleman from New York yield to permit a bill to be sent to conference?

Mr. ANDREWS of New York. I yield.

FEDERAL CHARTER FOR COMMODITY CREDIT CORPORATION

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, insist upon the House amendments, agree to the confer-

once asked by the Senate, and that the Chair appoint conferees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. WOLCOTT, GAMBLE, SMITH of Ohio, KUNKEL, SPENCE, BROWN of Georgia, and PATMAN.

SELECTIVE SERVICE ACT OF 1948

Mr. ANDREWS of New York. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Speaker, I thought perhaps I would get a little more time, but I understand the difficulties with which the chairman is confronted. Three minutes is a mighty short time to even touch on this subject.

I enjoyed the remarks of the gentleman from Michigan [Mr. SHAFER], and I think they were rather appropriate.

The House does not want this bill to be effective for 24 months. The House does not want this bill to be effective for 21 months. I think the great majority of Members expected the conferees to bring back a report carrying not more than 18 months.

So far as I am concerned I was and am so thoroughly of the conviction that the draft is not needed, not necessary, that I voted against the bill before and I will vote against it tonight.

The War Department has not made out a case, but the membership has been called upon to take this drastic step on rumors, hearsay, and conclusions reached by men definitely and directly interested.

On yesterday, the chairman of the Foreign Affairs Committee would not even tell us what Mr. Marshall testified to before his committee because it was a secret. Why should this secret information be withheld from the membership of this body and yet at the same time those in high position tell us to assume responsibility for this drastic legislation? It is not fair, it is not right, it is not safe, and is not to the best interest of good government.

We want protection, yes; and we can get all the men we want if we are willing to pay them fairly. Just as we can get airplanes by paying a fair wage to the workmen.

The young men may be physically able to render the active service. But that does not relieve the rest of us from the responsibility of paying them. Every American should be willing to do his part toward defending this Nation and in my opinion they are.

Mr. Speaker, there has been no consideration given the school systems of this country. Where are we to get our doctors? Where are we going to get our scientists? What provision, if any, has been made to give any consideration to farming-agricultural colleges, engineering, etc? For 150 years we have been working and striving to try to lift the standard of education in this country, and we have done a pretty job of it, but tonight with a smile on the War Department's face we draft these boys and think nothing of it.

I do not know. I wish that we could feel satisfied about this case. But we know what the War Department wants. I have always had the feeling that all strong men were ambitious and sooner or later must have certain safeguards to keep them from going too far. The man who wants too much power should not have it, and a man who loves to exercise power should not be trusted with it. I feel that way about this. If the War Department had given enlistments a fair chance, you know the War Department would have the men.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from North Carolina.

Mr. FOLGER. May I ask the gentleman if the reading of this report and the contemplation of all this legislation does not lead to the inevitable conclusion that this establishes a military hierarchy in the United States?

Mr. BARDEN. The gentleman is undoubtedly correct and I fear this will be a case of the camel's nose under the tent.

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. ANDREWS of New York. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. MITCHELL].

Mr. MITCHELL. Mr. Speaker, 2 weeks ago I was prepared to vote in favor of selective service. But I have always reserved my right to make a decision on important legislation until such time as I have heard the debate pro and con. I listened with a great deal of interest to the debate in the House for the last 3 days, and I have arrived at the one conclusion, and that is that the State Department and the administration have furnished the Committee on Armed Services with misinformation right down the line.

No one can accuse me of being an isolationist or pacifist. I say there are three to four million veterans, who recently completed a shooting war, here in the United States, all combat veterans, all in good shape. We veterans, I being one of them, will be happy to meet any emergency. We will go forward and do what we can to keep enemies from our shores.

I cannot find where the Army has done anything but discourage enlistments. They have done nothing to encourage them. I have talked to high-ranking generals, admirals, captains in the Navy, in the Army, and Marine Corps, and the Air Force, particularly. They say that there is only one group that wants this draft, and that is the Army. The brass hats, Mr. Speaker, want this draft, and they want it badly.

I want to tell you, and tell you sincerely, that I voted against this bill, and I will vote against it again. I feel that the greatest fraud is being perpetrated on the American people in this draft legislation that has ever been heaped upon them. It has been repeatedly stated, and correctly so, that our standing Army, Navy, and Air Force is adequate to defend our shores. If an emergency exists, as has been pointed out by the Armed Services Committee, then let us draft everyone; let us put a ceiling on profits;

let us take the profits out of war; let us, as the gentleman from Montana [Mr. MANSFIELD] said the other day, put a ceiling on wages and prices; let us freeze ourselves into a war economy; let us bring ourselves up to strength so that Soviet Russia will know we mean business, and let us not have this token draft. It is similar to bringing a ham sandwich to a banquet.

Members of the House, I implore you, vote this insidious legislation down, and if we need it, for God's sake let us put in a draft that will protect our country and not just deprive our 18- and 19-year-old boys of an education and a chance to be free and honest and not have to worry where they are going from day to day.

Mr. ANDREWS of New York. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. JACKSON].

[Mr. JACKSON of California was given permission to revise and extend his remarks.]

Mr. JACKSON of California. Mr. Speaker, it gives me a great deal of grief to follow in opposition, my able and distinguished colleague, the gentleman from Indiana [Mr. MITCHELL]. During the course of this debate we have seen and heard the highest and the lowest expressions of comedy, pathos, and deep sincerity. We have heard ridicule heaped upon a committee of the house which committee has put a considerable amount of effort, thought, and work in bringing out this piece of vitally needed legislation. We have seen artists in poesy and prose rise to the heights of histrionics and to the depths of abuse. I, for one, am for this legislation, and I intend to vote for it.

The point that is to be decided here tonight is only this: Do you want an adequate defense for the United States of America or do you not? No matter how flowery or how adequate your remarks in the CONGRESSIONAL RECORD, the 140,000,000 people of this country are going to render their decision on your individual vote on this matter. In spite of what the President has said about "Dear Old Joe" Stalin, that same dear old Joe is playing for keeps; he is not playing for marbles, money, or chalk. He has a blueprint for conquest, and oratory may be expected to leave him cold. There is no adequate national defense in high comedy and there is no defense in low comedy. Gay repartee, while amusing, wins no battles. The only way to impress "Dear Old Joe" is in an adequate force of trained men equipped and ready to maintain the peace.

If this legislation is voted down, Mr. Speaker, tomorrow there will be smiles of derisive satisfaction in the Kremlin, and all that we have attempted to do in the way of building a stronger and a finer world will have come to naught, and, indeed, you can then say that all of the billions that we have spent will have been poured down the rat hole.

There is only one question, and that is, Are you for national defense or are you against it?

Mr. ANDREWS of New York. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. SHORT].

hand . . . all about us . . . and not inhabitants of some distant land to be reached only by superforts or superships.

The widespread appeal of Red-baiting arises from a desperate fear that somehow our liberties and freedoms are being undermined, and that something alien to the great dream enunciated by Thomas Paine is secretly capturing converts to Communist dogma from among our friends and neighbors.

But under cover of that illusion, in the name of combatting this shadowy threat, reaction bred of fascism and lust for power is working swiftly and too often successfully to lead us into economic and political slavery.

This is the purpose, not of all of the supporters, but of the framers of the Mundt-Nixon bill, for example. Those who yearn to stifle all protests and all criticism, who seek to throttle free speech and free assembly, hope, by constantly labelling it an anti-Communist bill, to make its antidemocratic provisions so palatable to us that we will surrender our principles in the belief that we are scourging evil instead of creating it.

Billions of tax dollars, which we would all cheerfully contribute to extend human security and the privileges of freedom, are being poured into armaments for war, while the Taft-Wagner-Ellender housing bill gathers dust.

Hundreds of thousands of our citizens cry for homes—and we give them guns in the name of security, and speak of something out there somewhere, Red-hued and menacing, as the greatest threat to democracy—but the homeless still lack shelter.

If they are to protest, the Mundt-Nixon bill will provide one man with power to convict them of treason; and yet its supporters claim it as a weapon to preserve freedom.

The fable is that the only menace to our liberties is from the Soviet Union, and that it is the kind of threat which can be met only by bombs, bullets, and fighting men.

Yet in the very effort to provide the tremendous military power we are assured is necessary we persist in discriminating between Negro and white citizens, segregating their service units and limiting the Negro's service opportunities in everything except the hazard of losing his life.

Our hearts cry out over the terrible tragedy of human beings uprooted from their lands and homes—the homeless of the concentration camps formally called displaced persons—but the enemies of freedom and equality among us insist on so limiting our special immigration bill that Roman Catholics and Jews could scarcely be included in the quotas, while good Protestant Aryan Germans, many of them deeply imbued with nazism, would get preference.

This is a real, and present, menace to the spread of democracy.

But this plot was bred by little knots of Ku-Klux and Nazi-minded sympathizers with fascism and the Hitlerian doctrine of racial and religious intolerance, and spawned on the floor of Congress. The color is not red, but black.

The truth is that democracy's progress here in its birthplace is being stopped dead-center, and a series of tremendous drives are under way to reverse its course—to give us less and less of it, under the guise of attempting to defend it.

Our Defense Secretary demands a Military Establishment big enough, expensive enough, to challenge Russia in war and to "defend democracy" from Red attack.

But who and what will defend us against the military mind; who will protect us against losing our democracy at home while we pretend to fight for it abroad?

Not the authors of these vicious bills.

Not the men committed to complete domination over civilian life by the military machine.

Not the public officials who rush aid to Turkey, Greece, and China, but deny it to Israel.

This is an election year. It is the year to challenge every Congressman and every Senator and every public official on the record.

We can save democracy only by voting for men who believe in it and practice it. And we must build it at home as well as support it abroad.

Taber's Accomplishments

EXTENSION OF REMARKS OF

HON. WALTER C. PLOESER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. PLOESER. Mr. Speaker, one of the outstanding accomplishments, and probably the most far-reaching accomplishment of the Eightieth Congress, has been the stabilization of the Federal Budget. When the Eightieth Congress convened the Honorable JOHN TABER, of New York, who became chairman of the Committee on Appropriations, after having had longer prior service on the committee than any former chairman of the committee, announced that his ultimate desire was to put the Government on a sound business basis.

That he has achieved a high degree of success is borne out in the comparison of the deficiency appropriations which it was necessary to make to meet the operating requirements of the Government during the first session of the Eightieth Congress and those required in the second session. During the first session it was necessary to make appropriations totaling more than \$3,500,000,000 to provide additional amounts required during the fiscal year 1947, for which the original budget had been passed by the Seventy-ninth Congress. The second session of the Eightieth Congress was required to appropriate \$1,700,000,000 for the fiscal year 1948, and of this amount \$1,200,000,000 was for tax refunds leaving only \$500,000,000 as the actual requirement for operating deficits.

This record was possible only because the agencies of the Government knew JOHN TABER, functioning not only as chairman of the whole Committee on Appropriations, but also, as chairman of its Subcommittee on Deficiencies, well enough to know that when he said he expected to enforce the Antideficiency Act, he meant just exactly that. The executive agencies had grown into the habit of taking their original budgets and making such expenditures as they saw fit, and then running back to Congress and getting supplemental amounts as and when needed. The Congress had relinquished to the Executive its constitutionally mandated control of the public purse, and JOHN TABER, who as minority member of the Committee on Appropriations, with others, had fought the change in policy at every turn in the road, took his assignment as chairman of the Committee on Appropriations as a direct

mandate to restore constitutional government with respect to finances. He has had the fortitude to forge ahead when others, but for him, might have faltered. He has faced every kind of persuasion and pressure but has never been taken off his feet. He has been depicted to the American people as a hard-hitting legislator, and that certainly is true, but just as important is the fact that he can take a never-ending stream of punishment without losing heart to battle for the cause he knows to be right.

When the record of achievement of the Eightieth Congress is written, the record of the Committee on Appropriations, under the able and tenacious leadership of JOHN TABER will be outstanding, and I am proud to have been a part of it.

Long-Range Agricultural Program (H. R. 6248) and Federal Charter for Commodity Credit Corporation (S. 1322)

EXTENSION OF REMARKS OF

HON. GEORGE D. AIKEN

OF VERMONT

IN THE SENATE OF THE UNITED STATES

Saturday, June 19 (legislative day of
Tuesday, June 15), 1948

Mr. AIKEN. Mr. President, I ask unanimous consent to have printed in the RECORD that is to come out after the adjournment an analysis of the long-range farm bill and the Commodity Credit Corporation charter bill as they were reported by the conference committees.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

I wish to make the following analysis of certain provisions of S. 1322, the Commodity Credit Corporation Charter Act, for the purpose of clarifying the intention and meaning of certain provisions of the conference report on S. 1322.

The affairs of the Corporation within the meaning of section 10, which requires the executive staff to devote its full time to the affairs of the Corporation, would include functions performed for any agency of the Federal Government (including the Department of Agriculture) utilizing the personnel and facilities of the Corporation as authorized by section 11. Thus, the executive staff could devote itself to such programs as section 32 and school-lunch programs if the personnel and facilities of the Corporation were utilized by the Secretary of Agriculture in carrying out such programs. Likewise, the affairs of the Corporation include participating in activities of the Department of Agriculture in which the Corporation has a direct interest, such as production goals, marketing quotas, marketing agreements and orders, acreage allotments, foreign and domestic allocation programs, etc.

Section 10, providing for an executive staff which would devote its full time to the affairs of the Corporation, was not intended to require any extensive change in the relationship between Commodity Credit Corporation and the Production and Marketing Administration.

The determination of the Board of Directors of Commodity Credit Corporation

shall be final as to which officials of the Corporation constitute the executive staff.

The term "officer or employee" within the meaning of the authorization in section 10 to pay premiums on bonds includes any officer or employee of the Department of Agriculture utilized by the Corporation.

The powers conferred by section 4 (m) include the power to, in any manner, acquire, hold, and dispose of personal property or any interest therein, as the Corporation deems necessary in the conduct of its business.

Although under section 9 two members of the board must be persons who are not "employees of the Corporation or any department or agency of the Federal Government, if also directors," this does not mean that such board members may not devote their full time to their duties as board members and receive compensation for such full time participation at the rate of \$10,000 per annum, or may not be former employees of the Department of Agriculture. It is anticipated, however, that in the case of a former employee a reasonable time would elapse between the time of his resignation from the Department and his appointment as a board member.

Another change made by the conference committee was to make the proposed 4-year statute of limitations applicable not only to claims against the Corporation but also to claims by the Corporation. The committee felt that the statute of limitations should be applicable to claims by the Corporation as well as to claims against the Corporation. As provided by section 16, the proposed 4-year statute of limitations will not limit or extend any period of limitation otherwise applicable to claims against the Delaware Corporation. With respect to claims by the Corporation, the 4-year period of limitations will not begin to run on claims of the Delaware Corporation transferred to the Federal Corporation until June 30, 1948, the effective date of the new charter.

Section 9, which provides that the compensation paid any director shall not exceed in the aggregate \$10,000 per annum and that employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the board does not prevent a director who holds another position in the Federal Government from receiving a salary for such position in excess of \$10,000. In such a case the director would serve on the board without compensation.

Section 9, in providing that a majority (three members) of the board of directors shall constitute a quorum of the board, will, if there are three members in office, permit the board to function, and vacancies in the board, whether arising by failure of the President to nominate or the Senate to confirm the original or subsequent members, will not impair the powers of the board to execute the functions of the Corporation so long as there are three members in office.

I also wish to make the following analysis of certain provisions of H. R. 6248, the Agricultural Act of 1948, for the purpose of clarifying the intention and meaning of certain provisions of the conference report on H. R. 6248. It was the intention of the House and Senate conferees that the authority contained in section 1 of title I of the Agricultural Act of 1948 to require compliance with marketing regulations as a condition of eligibility of producers for price support would permit the Secretary of Agriculture to condition price support for potatoes and other nonbasic commodities upon marketing orders issued pursuant to the Agricultural Adjustment Act as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, being in effect with respect to such commodity in such production areas as the Secretary may designate. This was also intended to be permitted

by the provisions of section 302 (a) of the Agricultural Adjustment Act of 1938 as amended by section 202 of title II of the Agricultural Act of 1948 authorizing eligibility for price support to be conditioned upon compliance with marketing practices prescribed by the Secretary of Agriculture.

My Voting Record on Farm Legislation in the Eightieth Congress

EXTENSION OF REMARKS

OF

HON. HUBERT S. ELLIS

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, June 19, 1948

Mr. ELLIS. Mr. Speaker, I have had prepared for the benefit of the farmers of the Fourth Congressional District, composed of the counties of Cabell, Jackson, Lincoln, Mason, Pleasants, Putnam, Roane, Tyler, Wayne, Wirt, and Wood, showing how I voted on all legislation passed by the House of Representatives relating in any way to agriculture.

This record speaks for itself and shows that bills designed to aid the farmer have consistently received my support.

It is not supposed that everyone will agree with my position. Honest and well-informed persons differ in opinion. All votes have been made after careful consideration of the problem and a thorough study of the evidence presented in committee hearings and in the debate on the floor of the House.

The record is as near complete as is possible to make at this time, and I am pleased to present it to you:

Public Law 2; approved February 1, 1947: Extending time during which Federal alcohol plants could manufacture sugar to relieve shortage and provide a market for surplus potatoes and soft and wet grain. ELLIS voted "Yes."

Public Law 30; approved March 31, 1947: To extend the powers of authorities to ration distribution of sugar and fix prices. ELLIS voted "No."

Public Law 40; approved April 28, 1947: An act to permit importation of Mexican farm labor. ELLIS voted "No."

Public Law 104; approved June 25, 1947: The Federal Insecticide, Fungicide and Rodenticide Act, to protect the public, and especially farmers, against misbranded or adulterated economic poisons of great value to agriculture but which were unknown and not covered by the Insecticide Act of 1910. ELLIS voted "Yes."

Public Law 131; approved June 30, 1947: An act to extend until July 1, 1949, the period during which income from agricultural labor and nursing services may be disregarded by the States in making old-age assistance payments without prejudicing their rights to grants-in-aid under the Social Security Act. This law is to encourage recipients of such assistance to engage in these occupations, in which there is a labor shortage, and to do so without loss of assistance, the State governments being given the option to disregard such income in the granting of eligibility. ELLIS voted "Yes."

Public Law 145; approved June 30, 1947: Extending the Second War Powers Act for 15 days. ELLIS voted "Yes."

Public Law 188; approved July 15, 1947: To extend until February 29, 1948, certain powers of the President under the Second

War Powers Act and Export Control Act, retaining certain war controls upon American farm products. ELLIS voted "No."

Public Law 249; approved July 20, 1947: To extend provisions of the Bankhead-Jones Farm Tenant Act and the Soil Conservation and Domestic Allotment Act to the Virgin Islands. ELLIS voted "Yes."

Public Law 266; approved July 30, 1947: An act making appropriations for the Department of Agriculture for the 1948 fiscal year. On final passage ELLIS voted "Yes."

NOTE.—Total vote was: Yes 315, no 28; indicating general agreement between majority and minority.

On motion to recede and concur in Senate amendment which made an appropriation of \$20,000,000 for farm-tenant loans, July 18, 1947. ELLIS voted "Yes."

Public Law 290; approved July 31, 1947: To amend the Plant Quarantine Act to protect American nursery stock against disease-infested stock and plant pests from abroad. ELLIS voted "Yes."

Public Law 297; approved July 31, 1947: An act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges. ELLIS voted "Yes."

Public Law 298; approved July 31, 1947: To authorize the Secretary of Agriculture to dispose of farm labor supply centers, camps, facilities, and equipment used in connection with the farm labor supply program at such prices, and under such terms and conditions and in such manner as to insure, as far as possible, their continued use in the housing of migratory labor engaged in agricultural work. ELLIS voted "Yes."

Public Law 205; approved August 1, 1947: To amend the Agricultural Adjustment Act relating to marketing agreements and orders, authorizing the Secretary of Agriculture to establish and maintain such minimum standards of quality and such grading and inspection requirements for agricultural commodities, other than milk and its products, in interstate commerce, as will effectuate orderly marketing of such commodities in the public interest. ELLIS voted "Yes."

Public Law 360; approved August 5, 1947: To assist the Commodity Credit Corporation to dispose of surplus wool, protecting the price and the American market. ELLIS voted "Yes."

Public Law 388; approved August 8, 1947: An act to protect consumers of sugar and of those engaged in the domestic sugar-producing industry, to promote trade, and for other purposes. ELLIS voted "Yes."

Public Law 389; approved December 17, 1947: European Interim Aid Act, providing, among other things, that the President be authorized to purchase for gift to Europe, foodstuffs from other countries at a higher price than paid for the same products in the United States. ELLIS voted "No."

Public Law 395; approved December 30, 1947: Authorizing Government and industry to enter into certain voluntary arrangements for price stabilization. ELLIS voted "Yes."

Public Law 427; approved February 28, 1948: Second Decontrol Act of 1947. ELLIS voted "Yes."

Public Law 472; approved April 3, 1948: Foreign Assistance Act of 1948, to provide former allies, neutrals, and enemies with \$17,000,000,000 worth of gifts, including farm machinery, fertilizer, automobiles, and trucks, and other materials, such as steel, oil, foodstuffs, etc., in short supply at home. Sponsors of bill admitted it would increase cost of living and lower standard of living at home but was a necessary supplement to \$20,000,000,000 in gifts to foreigners since VJ-day and to buy friends. ELLIS voted "No" on passage of bill.

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Division of Legislative Reports
(For Department staff only)

Issued June 22, 1948
For actions of June 19 & 20, 1948
Cong. Record - June 21, 1948
80th-2nd, No. 114

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HIGHLIGHTS: Both Houses agreed to conference reports on: Foreign-aid appropriation bill; farm-program bill; second deficiency appropriation bill; CCC charter bill; and pay-raise bill. House passed farm-labor bill; Senate concurred in House amendments. Both Houses adjourned until Dec. 31 subject to recall by majority leadership. President approved Agricultural Appropriation Act, 1949.

SENATE

- FARM PROGRAM.** Both Houses agreed to the conference report on H.R. 6248, the long-range farm program bill (pp. 9448, 9508-16). The conference report adopts the House version until Jan. 1, 1950, with an amendment regarding the base period for Md. tobacco; makes the Senate version of the price-support and parity-formula provisions effective Jan. 1, 1950; includes the Sec. 32 carryover provision and the strengthened Sec. 22 (import control) language; omits the Senate reorganization and declaration-of-policy provisions. This bill will now be sent to the President. (House vote on the bill was 147-70).
- C.C.C. CHARTER.** Both Houses agreed to the conference on S. 1322, to provide for a Federal charter for Commodity Credit Corporation (pp. 9422-4, 9483-5). This bill will now be sent to the President. The House Managers state that:
"In general, the conference substitute follows the language of the House amendment. The major differences between the conference substitute and the House amendment are indicated below.
"The Senate bill provided that Commodity Credit Corporation shall have the immunities of the United States from State statutes of limitations. The House amendment did not contain such a provision. Under the conference substitute a four year statute of limitations will apply to suits brought by or against the

corporation.

"Under the House amendment not more than two employees of the Corporation or any department or agency of the Federal Government could serve as directors of the Corporation. The conference substitute increases this number to three.

"The conference substitute contains a provision not in the House amendment authorizing the Secretary of Agriculture to appoint an interim Board consisting of five members, including the Secretary, who shall serve until October 1, 1948."

3. FARM LABOR. Concurred in the House amendments to S. 2767, to provide for recruitment and distribution of farm labor by the USES, Federal Security Agency (pp. 9448, 9455). This bill will now be sent to the President.

4. FOREIGN AID APPROPRIATION BILL. Both Houses agreed to the conference report on this bill (the House vote was 318-62), H.R. 6801 (pp. 9412-4, 9466-73). This bill will now be sent to the President.

As finally passed the bill provides as follows:

Economic Cooperation Administration, \$4,000,000,000, for the first 15 months of the program, but with the provision "That the entire amount may be apportioned for obligation or may be obligated and expended, if the President, after recommendation by the Administrator, deems such action necessary to carry out the purposes of said Act, during the period ending April 2, 1949, the first year of the program.

Assistance to Trieste, \$20,000,000, on the same basis.

International Children's Emergency Fund, \$35,000,000 (House figure \$60,000,000; Senate figure, \$20,000,000), fiscal year 1949.

Assistance to Greece and Turkey, \$225,000,000 (House figure \$200,000,000; Senate figure \$250,000,000), fiscal years 1948 and 1949.

Assistance to China, \$400,000,000 (House figure; Senate figure \$460,000,000), first year of the program.

Government and relief in occupied areas, \$1,300,000,000 (House figure, \$1,250,000,000; Senate figure \$1,325,000,000), fiscal year 1949.

International Refugee Organization, \$70,710,228 (same as budget), fiscal year 1949.

The following language was agreed to under the general provisions:

"Sec. 202. No funds made available under the authority of this Act shall be used for the purchase in bulk of any commodities (other than commodities procured by or in the possession of the Commodity Credit Corporation pursuant to Act of July 1, 1941 (55 Stat. 498), as amended), at prices higher than the market price prevailing in the United States at the time of the purchase adjusted for differences in the cost of transportation to destination, quality, and terms of payment: Provided, That no funds available under this Act shall be used for the purchase of wool other than from existing stocks owned by the Commodity Credit Corporation, unless or until such stocks are exhausted.

"Sec. 203. No part of the funds herein appropriated shall be used to purchase farm machinery, including tractors, in the United States in an amount which will bring the total exports of such machinery and tractors during the period for which this appropriation is made, from the United States, by or for the benefit of the countries participating in the European recovery program, to more than \$75,000,000.

"Sec. 204. Whenever an export license for a commodity, the production or shipment of which to a nonparticipating country was contracted for in good faith prior to March 1, 1948, is denied or cannot be obtained under section 6 of the Act of July 2, 1940 (54 Stat. 714), as amended, the Administrator shall provide for the procurement of such commodity to transfer to a participating country in accordance with the requirements of such country, at not less than the contract price of such commodity to the producer or exporter, as the case

lates to the 7 cents, 6 cents, and 5 cents payments. As production goes up the amounts go down. Then after that paragraph the distinguished Senator from Colorado has pointed out the connection.

Mr. KEM. Mr. President—

Mr. MALONE. Mr. President, I have the floor. I am happy to yield to the Senator from Missouri.

Mr. KEM. I desire the floor in my own right.

Mr. MALONE. Mr. President, I relinquish the floor.

Mr. WILLIAMS. Mr. President, in discussing strategic critical materials I read from an article from Dun's Review, this month's issue, which has this to say about the subject—

FEDERAL CHARTER FOR COMMODITY CREDIT CORPORATION—CONFERENCE REPORT

Mr. AIKEN. Mr. President, will the Senator yield for a conference report?

Mr. WILLIAMS. I yield.

Mr. AIKEN. Mr. President, I submit the conference report on Senate bill 1322, the Commodity Credit Corporation Charter Act.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Commodity Credit Corporation Charter Act.'

"SEC. 2. Creation and purposes: For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as 'agricultural commodities'), and of facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to be known as Commodity Credit Corporation (hereinafter referred to as the 'Corporation'), which shall be an agency and instrumentality of the United States within the Department of Agriculture, subject to the general direction and control of its Board of Directors.

"SEC. 3. Offices: The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business.

"SEC. 4. General powers: The Corporation—

"(a) Shall have succession in its corporate name.

"(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(c) May sue and be sued, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction of all suits brought by or against the Corpora-

tion: *Provided*, That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit by or against the Corporation shall be allowed unless it shall have been brought within four years after the right accrued on which suit is brought. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this Act, the Federal Tort Claims Act (Public Law 601, Seventy-ninth Congress) shall be applicable to the Corporation. Any suit by or against the United States as the real party in interest based upon any claim by or against the Corporation shall be subject to the provisions of this subsection (c) to the same extent as though such suit were by or against the Corporation.

"(d) May adopt, amend, and repeal by-laws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised.

"(e) Shall have all the rights, privileges, and immunities of the United States with respect to the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding.

"(f) Shall be entitled to the use of the United States mails in the same manner and upon the same conditions as the executive departments of the Federal Government.

"(g) May enter into and carry out such contracts or agreements as are necessary in the conduct of its business. State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements.

"(h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. Except as provided in section 16, the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business and it may continue to lease (by renewing or extending existing leases or entering into new leases) property leased by it on the date of the enactment of this Act.

"(i) May borrow money subject to any provision of law applicable to the Corporation: *Provided*, That the total of all money borrowed by the Corporation, other than trust deposits and advances received on sales, shall not at any time exceed in the aggregate \$4,750,000,000. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

"(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid.

"(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers.

"(l) May make such loans and advances of its funds as are necessary in the conduct of its business.

"(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

"SEC. 5. Specific powers: In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 edition, Supp. V, 841), the Corporation is authorized to use its general powers only to—

"(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

"(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

"(c) Procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

"(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

"(e) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

"(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities.

"(g) Carry out such other operations as the Congress may specifically authorize or provide for.

"In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

"SEC. 6. Existing statutes applicable to the Corporation: The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the Corporation. Commodity Credit Corporation, a Delaware corporation, shall cease to be an agency of the United States as provided in section 7 (a) of the Act of January 31, 1935, as amended (15 U. S. C., 1940 edition, Supp. V, 713 (a)).

"SEC. 7. Capital stock: The Corporation shall have a capital stock of \$100,000,000 which shall be subscribed by the United States. Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this Act. The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the Act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), as amended, at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

"SEC. 8. Funds: The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it.

"The Secretary of Agriculture is authorized to appoint an interim Board consisting of five members, including the Secretary, who shall serve until October 1, 1948.

"SEC. 9. Directors: The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board"). The Board shall consist of five members. The Secretary of Agriculture, or his nominee, shall be a member of the Board and the remaining members shall be appointed by the President by and with the advice and consent of the Senate. The Chairman of the Board shall be selected by the Board. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present. The appointed directors shall serve for a period of five years, except that the terms of the first Board shall be shortened to provide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States. The Corporation may provide, by its bylaws, for the compensation to be paid the directors: *Provided*, That the compensation paid any director shall not exceed in the aggregate \$10,000 per annum: *And provided further*, That employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the Board. Employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not comprise, in the aggregate, more than three of the members of the Board.

"SEC. 10. The executive staff: Responsibility for the day-to-day conduct of the business of the Corporation shall be vested in a staff of executive officers, headed by a chief executive appointed by the Board and responsible to the Board. Members of the executive staff shall devote their full time to the affairs of the Corporation. The Board shall define the authority and duties of the members of the executive staff, delegate to them such of the powers vested in the Corporation as it may determine, require that such of them as it may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds of any officer or employee. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 edition, 661).

"SEC. 11. Cooperation with other governmental agencies: The Corporation may, with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivision thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation, be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, in the performance of any part or all of the functions of such agency.

"SEC. 12. Utilization of associations and trade facilities: The Corporation may, in the conduct of its business, utilize on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities.

"SEC. 13. Records; annual report: The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation, a copy of which shall be forwarded by the Secretary of Agriculture to the President for transmission to the Congress.

"SEC. 14. Interest of Members of the Congress: The provisions of section 1 of the Act of February 27, 1877, as amended (41 U. S. C., 1940 edition, 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

"SEC. 15. Crimes and offenses.—

"FALSE STATEMENTS; OVERVALUATION OF SECURITIES

"(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another, money, property, or anything of value, under this Act, or under any other Act applicable to the Corporation shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment by not more than five years, or both.

"EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION

"(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (1) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (2) with intent to defraud the Corporation, or any other body, public or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (3) with intent to defraud the Corporation, participates or shares in, or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

"LARCENY; CONVERSION OF PROPERTY

"(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

"CONSPIRACY TO COMMIT OFFENSE

"(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

"GENERAL STATUTES APPLICABLE

"(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the act of March 4, 1909, as amended (18 U. S. C., 1940 edition, 204, 205)

shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

"SEC. 16. Transfer of assets of Commodity Credit Corporation, a Delaware corporation: The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against the Corporation: *Provided*, That nothing in this Act shall limit or extend any period of limitation otherwise applicable to such claims against the Corporation.

"SEC. 17. Dissolution of Delaware corporation: The Secretary of Agriculture, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

"SEC. 18. Effective date: This Act shall take effect as of midnight, June 30, 1948."

And the House agree to the same.

GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,
ELMER THOMAS,
ALLEN J. ELLENDER,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the Senate.

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. RUSSELL. Mr. President, I congratulate the Senator from Vermont on bringing in a conference report, but I am a little curious to know for how long it extends the life of the Commodity Credit Corporation.

Mr. AIKEN. This conference report gives perpetual existence to the Commodity Credit Corporation. The principal change from the Senate bill is this: The Senate bill provided for a board of five members to be appointed by the President and confirmed by the Senate. The House bill provided for a board of five members, three of whom must be outside the Department of Agriculture. The conference committee report provides for a board of five members to be appointed by the President, two of whom shall not be employees of the Department of Agriculture, leaving the Board comprised of three who may be employees of the Department of Agriculture and two chosen from outside the Department.

Mr. RUSSELL. Is the Secretary of Agriculture a member of the Board?

Mr. AIKEN. Yes, indeed. I am sure he is a member of the Board.

Mr. RUSSELL. Does the Senator believe that this Board, as constituted under the terms of the conference report, will be closely integrated with the work of the Department of Agriculture?

Mr. AIKEN. Yes. The Senator from Vermont is satisfied that probably three members chosen out of the five will be within the Department of Agriculture. The Senator from Vermont is not satisfied that the Board of five is large enough, but has hope that the next Congress may see fit to enlarge the Board if the five members prove to be inadequate.

I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. AIKEN. Mr. President, may I express the final hope that Congress will not recess or adjourn for a little while, because we may have a long-range farm program.

The PRESIDING OFFICER. The Chair will observe that there seems to be some ground for that hope.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6916) to provide for permanent postal rates and additional compensation for postmasters and employees of the field service in the Post Office Department.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5904) to incorporate the Virgin Islands Corporation, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3416) to provide for the establishment of the Pensacola National Monument.

The message notified the Senate that Mr. GILLIE had been appointed a manager on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6248) to authorize the Secretary of Agriculture to stabilize prices of agricultural commodities; to amend section 22 of the Agricultural Adjustment Act, reenacted by the Agricultural Marketing Agreement Act of 1937; and for other purposes, vice Mr. MURRAY of Wisconsin, excused.

ASSISTANCE TO CERTAIN LOCAL SCHOOL AGENCIES

Mr. SMITH. Mr. President, I submit the conference report on House bill 6527, to provide assistance to certain local school agencies overburdened with war-incurred, or postwar national-defense-incurred enrollments, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6527) to provide assistance to certain local school agencies overburdened with war-incurred, or postwar national-defense-incurred, enrollments, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment to the House bill and agree to the bill as originally passed by the House.

H. ALEXANDER SMITH,
FORREST C. DONNELL,
WAYNE MORSE,
JAMES E. MURRAY,
LISTER HILL,

Managers on the Part of the Senate.

GRAHAM A. BARDEN,
CARROLL D. KEARNS,
WALTER E. BREHM,
WINGATE H. LUCAS,
GERALD W. LANDIS,

Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. Without objection—

Mr. BALL. Mr. President, there is objection to this conference report.

This is a bill continuing for 3 years after the end of the war Federal assistance to local school districts to educate the children in areas where there have been war plants or war installations.

The bill came over from the House authorizing \$6,000,000 a year of this assistance. Mind you, this is 3 years after the end of the war. There was never any authority of law during the war. It was done under the war powers.

The bill which came over from the House proposed not only to provide approximately \$5,000,000 of assistance to those school districts in which there were located war plants which had not yet been turned back to private ownership, and the Senate decided it could go along with that, but the House bill also provided an additional \$1,000,000 to start this program all over again, for assistance to school districts which may incur increased enrollments because of new defense or military installations resulting from the present national defense program.

The wisdom of any assistance to these school districts is somewhat doubtful. I may point out that according to the figures furnished to the Labor and Public Welfare Committee, about three-fourths of this assistance goes to three States—Oregon, Washington, and Texas, all three of which have received hundreds of millions of dollars of Federal contracts. Those States and their industries and their Representatives in Congress were extremely active in seeking those Federal appropriations, and those appropriations undoubtedly have increased tremendously the wealth and income of those States. Then they have the gall to come to Congress and ask for

Federal assistance to carry on the local function of education.

I grant that in various cases the local school districts are in trouble because the Federal Government has taken title to much of their land, with the result that it does not pay taxes, and the local school districts are in difficulty.

But in every one of those situations the income of the State, which is their basis for taxation, has been increased tremendously by the Federal expenditures which have been sought by those States; and yet they are asking the taxpayers of all the other 45 States to help them bear that little additional expense.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BALL. I shall finish my statement, if the Senator does not mind.

This, mind you, is 3 years after the end of the war. The Labor and Public Welfare Committee, after looking at all the facts, decided that we were perhaps justified—it was doubtful—in going on for one more year with a program, insofar as it concerned the school districts that were helped during the war. During the war we did a lot of things which are a little difficult to cut off immediately after the end of the war. But we decided that it would be a serious mistake to start adding new districts.

After all, we in the Senate know very well that these increased expenditures—and they are tremendous this year—are the cause of considerable rivalry among the States as to which shall get them. The States which get them, I think, have no right to come to the Congress and ask for help to the extent of \$10,000, \$20,000, \$50,000, \$100,000, or, in the case of one State almost a million dollars, to educate children of the workers who will be migrating into those States because of the increased activities arising from Federal appropriations, as a result of which the States derive increased income.

The Senate Committee on Labor and Public Welfare therefore eliminated the provision, which permitted the addition of new school districts to receive assistance under this program. We cut the amount, in accordance with the estimates furnished us, from \$6,000,000 to \$5,000,000.

Mr. President, that decision of the committee, I may say, was sustained by the Senate; it was challenged and was sustained here on the floor. Yet the Senate conferees went into conference with the conferees on the part of the House, and yielded everything.

I am just a little bit tired of having the Senate always take the position of increasing the contributions and the expenditures of the Federal Government every time it gets a chance.

The taxpayers of the forty-odd States that have not participated to the extent of hundreds and hundreds of millions of dollars in these Federal expenditures and have not had their incomes increased to that extent, are being called upon not only to pay the taxes necessary to support those expenditures in the first place, but also to help those States maintain and operate their purely local functions of government. That strikes me as not

worked earnestly to secure favorable action on these pending measures. I appreciate that the leadership was and is faced with the necessity of balancing the relative merits of consideration of various vital measures and that is not an easy responsibility. There are serious omissions in the program nevertheless; the high cost of living, housing, and particularly certain veterans' legislation.

Of special and touching omission is that of the bill giving cars to a group of amputees which would cost, it is estimated, about \$15,000,000. At a time when we are spending billions for foreign relief and recovery, it is regrettable, if not tragic, that we cannot spend a mere 15 or 19,000,000 for those who are so seriously afflicted because of their unselfish service to their country.

The failure to pass the secondary loan bill for veterans is also unfortunate, as is the loss of the so-called veterans' homestead bill. Both these measures would facilitate housing for veterans and would improve the housing situation nationally. As a vigorous advocate and worker for these measures, I deplore the fact that they could not have been submitted and passed before we recess or adjourn. But there will be future opportunities to pass these measures. Let us continue our efforts.

I understand now that a secondary loan bill will be reported under the housing bill and the GI bill of rights which is in substance similar to the bill presented by the veterans' committee. This will compensate in part, if it is finally enacted in worth-while form, for other omissions, but I am frank to state that it is very difficult to understand why the bill providing for cars for certain classes of the blind and amputees has been side-tracked. This is perhaps the greatest omission in the veterans' program because it affects a group which should receive the most solicitous consideration of this House.

Let me congratulate and commend my friend and beloved colleague, the distinguished gentlelady from Massachusetts for her untiring and effective work for the veterans.

Mr. TEAGUE. Mr. Speaker, I rise in opposition to the provision of H. R. 6742 which discriminates against our young Regular officers of the armed services who are retired by reason of physical disability and who, under the provisions of this bill, must pay income tax on their retired pay. It is only proper that they should receive the same benefits available to other Government employees and disabled veterans who receive disability compensation which is tax free.

Of course, we know just who the committee had in mind when they place this provision in the tax bill. However, just because a few high ranking officers of our service are now drawing tax-free disability retirement pay is not reason enough to place an additional burden on the young Regular officers who are also retired because of physical disabilities. The solution to this problem is to have the various services review the retirement proceedings of their general officers and determine whether or not they are still entitled to disability retirement. In the

event they are not, then they should be restored to duty or placed on retirement by reasons of their length of service.

I do not favor this provision which will hurt our young Regular officers who are deserving of the tax free retirement benefits the same as our other veterans drawing disability retirement or compensation from the Veterans' Administration.

ASSISTANCE TO CERTAIN LOCAL SCHOOL AGENCIES

Mr. LANDIS submitted the following conference report and statement on the bill H. R. 6527, an act to provide assistance to certain local school agencies overburdened with war-incurred or postwar national defense-incurred, enrollments, for printing in the RECORD:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6527) to provide assistance to certain local school agencies overburdened with war-incurred, or postwar national-defense-incurred, enrollments, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment to the House bill and agree to the bill as originally passed by the House.

GRAHAM A. BARDEN,
CARROLL D. KEARNS,
WALTER E. BREHM,
WINGATE H. LUCAS,
GERALD W. LANDIS,

Managers on the Part of the House.

H. ALEXANDER SMITH,
FORREST C. DONNELL,
WAYNE MORSE,
JAMES E. MURRAY,
LISTER HILL,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6527) to provide assistance to certain local school agencies overburdened with war-incurred, or postwar national-defense-incurred, enrollments, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report.

The Senate, on the basis of information contained in the House report, receded from its amendment, and accepted the bill as originally passed by the House.

GRAHAM A. BARDEN,
CARROLL D. KEARNS,
WALTER E. BREHM,
WINGATE H. LUCAS,
GERALD W. LANDIS,

Managers on the Part of the House.

Mr. LANDIS. Mr. Speaker, I call up the conference report on the bill H. R. 6527.

The Clerk read the title of the bill.

The Clerk read the conference report.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

FEDERAL CHARTER FOR COMMODITY CREDIT CORPORATION

Mr. WOLCOTT submitted the following conference report and statement on the bill (S. 1322), to provide a Federal

charter for the Commodity Credit Corporation:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Commodity Credit Corporation Charter Act'.

"Sec. 2. Creation and purposes: For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as 'agricultural commodities'), and of facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to be known as Commodity Credit Corporation (hereinafter referred to as the 'Corporation'), which shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general direction and control of its Board of Directors.

"Sec. 3. Offices: The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business.

"Sec. 4. General powers: The Corporation—

"(a) Shall have succession in its corporate name.

"(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(c) May sue and be sued, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction of all suits brought by or against the Corporation: *Provided*, That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit by or against the Corporation shall be allowed unless it shall have been brought within four years after the right accrued on which suit is brought. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this Act, the Federal Tort Claims Act (Public Law 601, Seventy-ninth Congress) shall be applicable to the Corporation. Any suit by or against the United States as the real party in interest based upon any claim by or against the Corporation shall be subject to the provisions of this subsection (c) to the same extent as though such suit were by or against the Corporation.

"(d) May adopt, amend, and repeal by-laws, rules, and regulations governing the manner in which its business may be conducted and the powers vested in it may be exercised.

"(e) Shall have all the rights, privileges, and immunities of the United States with respect to the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding.

"(f) Shall be entitled to the use of the United States mails in the same manner and upon the same conditions as the executive departments of the Federal Government.

"(g) May enter into and carry out such contracts or agreements as are necessary in the conduct of its business. State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements.

"(h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. Except as provided in section 16, the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business and it may continue to lease (by renewing or extending existing leases or entering into new leases) property leased by it on the date of the enactment of this Act.

"(i) May borrow money subject to any provision of law applicable to the Corporation; *Provided*, That the total of all money borrowed by the Corporation, other than trust deposits and advances received on sales, shall not at any time exceed in the aggregate \$4,750,000,000. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

"(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid.

"(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers.

"(l) May make such loans and advances of its funds as are necessary in the conduct of its business.

"(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

"SEC. 5. Specific powers: In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 ed., Supp. V, 841), the Corporation is authorized to use its general powers only to—

"(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

"(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

"(c) Procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

"(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

"(c) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

"(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities.

"(g) Carry out such other operations as the Congress may specifically authorize or provide for.

"In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

"SEC. 6. Existing statutes applicable to the Corporation: The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the Corporation. Commodity Credit Corporation, a Delaware corporation, shall cease to be an agency of the United States as provided in section 7 (a) of the Act of January 31, 1935, as amended (15 U. S. C., 1940 edition, Supp. V, 713 (a)).

"SEC. 7. Capital Stock: The Corporation shall have a capital stock of \$100,000,000 which shall be subscribed by the United States. Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this Act. The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the Act of March 8, 1938 (U. S. C., title 16, sec. 713a-4), as amended, at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

"SEC. 8. Funds: The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it.

"SEC. 9. Directors: The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the 'Board'). The Board shall consist of five members. The Secretary of Agriculture, or his nominee, shall be a member of the Board and the remaining members shall be appointed by the President by and with the advice and consent of the Senate. The Chairman of the Board shall be selected by the Board. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present. The appointed directors shall serve for a period of five years, except that the terms of the first Board shall be shortened to provide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States. The Corporation may provide, by its bylaws, for the compensation to be paid the directors: *Provided*, That the compensation paid any director shall not exceed in the aggregate \$10,000 per annum: *And provided further*, That employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the Board. Employees of the Corporation or any department or agency

of the Federal Government, if also directors, shall not comprise, in the aggregate, more than three of the members of the Board.

"The Secretary of Agriculture is authorized to appoint an interim Board consisting of five members, including the Secretary, who shall serve until October 1, 1948.

"SEC. 10. The Executive Staff: Responsibility for the day-to-day conduct of the business of the Corporation shall be vested in a staff of executive officers, headed by a chief executive appointed by the Board and responsible to the Board. Members of the executive staff shall devote their full time to the affairs of the Corporation. The Board shall define the authority and duties of the members of the executive staff, delegate to them such of the powers vested in the Corporation as it may determine, require that such of them as it may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds of any officer or employee. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 edition, 661).

"SEC. 11. Cooperation With Other Governmental Agencies: The Corporation may, with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivision thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation, be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, in the performance of any part or all of the functions of such agency.

"SEC. 12. Utilization of Associations and Trade Facilities: The Corporation may, in the conduct of its business, utilize on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities.

"SEC. 13. Records; Annual Report: The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation, a copy of which shall be forwarded by the Secretary of Agriculture to the President for transmission to the Congress.

"SEC. 14. Interest of Members of the Congress: The provisions of section 1 of the Act of February 27, 1877, as amended (41 U. S. C., 1940 edition, 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

"SEC. 15. Crimes and Offenses:

"FALSE STATEMENTS; OVERVALUATION OF SECURITIES

"(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another, money, property, or anything of value, under this Act, or under any other Act applicable to the Corporation, shall, upon conviction thereof, be punished by a

fine of not more than \$10,000 or by Imprisonment by not more than five years, or both.

"EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION

"(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (i) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (ii) with intent to defraud the Corporation, or any other body, politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (iii) with intent to defraud the Corporation, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

"LARCENY; CONVERSION OF PROPERTY

"(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

"CONSPIRACY TO COMMIT OFFENSE

"(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

"GENERAL STATUTES APPLICABLE

"(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the Act of March 4, 1909, as amended (18 U. S. C., 1940 edition, 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

"Sec. 16. Transfer of assets of Commodity Credit Corporation, a Delaware corporation: The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation: *Provided*, That nothing in this Act shall limit or extend any period of limitation otherwise applicable to such claims against the Corporation.

"Sec. 17. Dissolution of Delaware corporation: The Secretary of Agriculture, representing the United States as the sole owner of the capital stock of Commodity Credit Cor-

poration, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

"Sec. 18. Effective date: This Act shall take effect as of midnight June 30, 1948."

And the House agree to the same.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.

GEORGE D. AIKEN,
MILTON R. YOUNG,
EDWARD J. THYE,
ELMER THOMAS,
ALLEN J. ELLENDER,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1322) to provide a Federal charter for the Commodity Credit Corporation, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment to the bill struck out all after the enacting clause and inserted a substitute amendment. The committee of conference recommend that the Senate recede from its disagreement to the amendment of the House with an amendment which is a substitute for both the Senate bill and the House amendment and that the House agree to the same.

In general, the conference substitute follows the language of the House amendment. The major differences between the conference substitute and the House amendment are indicated below.

The Senate bill provided that Commodity Credit Corporation shall have the immunities of the United States from State statutes of limitations. The House amendment did not contain such a provision. Under the conference substitute a four year statute of limitations will apply to suits brought by or against the Corporation.

Under the House amendment not more than two employees of the Corporation or any department or agency of the Federal Government could serve as directors of the Corporation. The conference substitute increases this number to three.

The conference substitute contains a provision not in the House amendment authorizing the Secretary of Agriculture to appoint an Interim Board consisting of five members, including the Secretary, who shall serve until October 1, 1948.

JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,

Managers on the Part of the House.

Mr. WOLCOTT. Mr. Speaker, I call up the conference report on the bill, S. 1322, to provide a Federal charter for the Commodity Credit Corporation, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD after the adjournment or recess and include articles and tables.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. O'KONSKI. Mr. Speaker, I ask unanimous consent that after the adjournment of Congress I may have permission to extend my remarks on two different subjects.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. PRESTON asked and was given permission to extend his remarks in the Appendix of the RECORD in two separate instances and in each to include extraneous matter.

Mr. SIKES asked and was given permission to revise and extend the remarks he made earlier in connection with the retirement speech of Mr. HENDRICKS.

Mr. DOMENGEAUX asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances.

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include an address by Dr. Wilson analyzing certain prices. I think this will run slightly beyond the limit, but notwithstanding the excess I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the excess, without objection, the extension may be made.

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. NIXON asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD in three instances and to include extraneous matter in each.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD after the session shall have adjourned.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances.

Mr. REEVES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

[PUBLIC LAW 806—80TH CONGRESS]

[CHAPTER 704—2D SESSION]

[S. 1322]

AN ACT

To provide a Federal charter for the Commodity Credit Corporation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Commodity Credit Corporation Charter Act".

SEC. 2. CREATION AND PURPOSES.—For the purpose of stabilizing, supporting, and protecting farm income and prices, of assisting in the maintenance of balanced and adequate supplies of agricultural commodities, products thereof, foods, feeds, and fibers (hereinafter collectively referred to as "agricultural commodities"), and of facilitating the orderly distribution of agricultural commodities, there is hereby created a body corporate to be known as Commodity Credit Corporation (hereinafter referred to as the "Corporation"), which shall be an agency and instrumentality of the United States, within the Department of Agriculture, subject to the general direction and control of its Board of Directors.

SEC. 3. OFFICES.—The Corporation may establish offices in such place or places as it may deem necessary or desirable in the conduct of its business.

SEC. 4. GENERAL POWERS.—The Corporation—

- (a) Shall have succession in its corporate name.
- (b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.
- (c) May sue and be sued, but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property. The district courts of the United States, including the district courts of the District of Columbia and of any Territory or possession, shall have exclusive original jurisdiction of all suits brought by or against the Corporation: *Provided*, That the Corporation may intervene in any court in any suit, action, or proceeding in which it has an interest. Any suit against the Corporation shall be brought in the District of Columbia, or in the district wherein the plaintiff resides or is engaged in business. No suit by or against the Corporation shall be allowed unless it shall have been brought within four years after the right accrued on which suit is brought. All suits against the Corporation shall be tried by the court without a jury. Notwithstanding any other provision of this Act, the Federal Tort Claims Act (Public Law 601, Seventy-ninth Congress) shall be applicable to the Corporation. Any suit by or against the United States as the real party in interest based upon any claim by or against the Corporation shall be subject to the provisions of this subsection (c) to the same extent as though such suit were by or against the Corporation.
- (d) May adopt, amend, and repeal bylaws, rules, and regulations

governing the manner in which its business may be conducted and the powers vested in it may be exercised.

(e) Shall have all the rights, privileges, and immunities of the United States with respect to the right to priority of payment with respect to debts due from insolvent, deceased, or bankrupt debtors. The Corporation may assert such rights, privileges, and immunities in any suit, action, or proceeding.

(f) Shall be entitled to the use of the United States mails in the same manner and upon the same conditions as the executive departments of the Federal Government.

(g) May enter into and carry out such contracts or agreements as are necessary in the conduct of its business. State and local regulatory laws or rules shall not be applicable with respect to contracts or agreements of the Corporation or the parties thereto to the extent that such contracts or agreements provide that such laws or rules shall not be applicable, or to the extent that such laws or rules are inconsistent with such contracts or agreements.

(h) May contract for the use, in accordance with the usual customs of trade and commerce, of plants and facilities for the physical handling, storage, processing, servicing, and transportation of the agricultural commodities subject to its control. Except as provided in section 16, the Corporation shall not have power to acquire or lease any such plant or facility or to acquire or lease real property or any interest therein, except that it may rent or lease office space necessary for the conduct of its business and it may continue to lease (by renewing or extending existing leases or entering into new leases) property leased by it on the date of the enactment of this Act.

(i) May borrow money subject to any provision of law applicable to the Corporation: *Provided*, That the total of all money borrowed by the Corporation, other than trust deposits and advances received on sales, shall not at any time exceed in the aggregate \$4,750,000,000. The Corporation shall at all times reserve a sufficient amount of its authorized borrowing power which, together with other funds available to the Corporation, will enable it to purchase, in accordance with its contracts with lending agencies, notes, or other obligations evidencing loans made by such agencies under the Corporation's programs.

(j) Shall determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid.

(k) Shall have authority to make final and conclusive settlement and adjustment of any claims by or against the Corporation or the accounts of its fiscal officers.

(l) May make such loans and advances of its funds as are necessary in the conduct of its business.

(m) Shall have such powers as may be necessary or appropriate for the exercise of the powers specifically vested in the Corporation, and all such incidental powers as are customary in corporations generally; but any research financed by the Corporation shall relate to the conservation or disposal of commodities owned or controlled by the Corporation and shall be conducted in collaboration with research agencies of the Department of Agriculture.

SEC. 5. SPECIFIC POWERS.—In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1940 edition, Supp. V, 841), the Corporation is authorized to use its general powers only to—

(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

(c) Procure agricultural commodities for sale to other Government agencies, foreign governments, and domestic, foreign, or international relief or rehabilitation agencies, and to meet domestic requirements.

(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

(e) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(f) Export or cause to be exported, or aid in the development of foreign markets for, agricultural commodities.

(g) Carry out such other operations as the Congress may specifically authorize or provide for.

In the Corporation's purchasing and selling operations with respect to agricultural commodities (except sales to other Government agencies), and in the warehousing, transporting, processing, or handling of agricultural commodities, the Corporation shall, to the maximum extent practicable consistent with the fulfillment of the Corporation's purposes and the effective and efficient conduct of its business, utilize the usual and customary channels, facilities, and arrangements of trade and commerce.

SEC. 6. EXISTING STATUTES APPLICABLE TO THE CORPORATION.—The Federal statutes applicable to Commodity Credit Corporation, a Delaware corporation, shall be applicable to the Corporation. Commodity Credit Corporation, a Delaware corporation, shall cease to be an agency of the United States as provided in section 7 (a) of the Act of January 31, 1935, as amended (15 U. S. C., 1940 edition, Supp. V, 713 (a)).

SEC. 7. CAPITAL STOCK.—The Corporation shall have a capital stock of \$100,000,000 which shall be subscribed by the United States. Such subscription shall be deemed to be fully paid by the transfer of assets to the Corporation pursuant to section 16 of this Act. The Corporation shall pay interest to the United States Treasury on the amount of its capital stock, and on the amount of the obligations of the Corporation purchased by the Secretary of the Treasury pursuant to the Act of March 8, 1938 (U. S. C., title 15, sec. 713a-4), as amended, at such rates as may be determined by the Secretary of the Treasury to be appropriate in view of the terms for which such amounts are made available to the Corporation.

SEC. 8. FUNDS.—The Corporation is authorized to use in the conduct of its business all its funds and other assets, including capital and net earnings therefrom, and all funds and other assets which have been or may hereafter be transferred or allocated to, borrowed by, or otherwise acquired by it.

SEC. 9. DIRECTORS.—The management of the Corporation shall be vested in a Board of Directors (hereinafter referred to as the "Board"). The Board shall consist of five members. The Secretary of Agriculture, or his nominee, shall be a member of the Board and the remaining members shall be appointed by the President by and with the advice and consent of the Senate. The Chairman of the Board shall be selected by the Board. A majority of the directors shall constitute a quorum of the Board and action shall be taken only by a majority vote of those present. The appointed directors shall serve for a period of five years, except that the terms of the first Board shall be shortened to provide for replacement or reappointment of its members in number as nearly equal as practicable in each year. The power of removal shall be vested in the President of the United States. The Corporation may provide, by its bylaws, for the compensation to be paid the directors: *Provided*, That the compensation paid any director shall not exceed in the aggregate \$10,000 per annum: *And provided further*, That employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not receive additional compensation for their services on the Board. Employees of the Corporation or any department or agency of the Federal Government, if also directors, shall not comprise, in the aggregate, more than three of the members of the Board.

The Secretary of Agriculture is authorized to appoint an interim Board consisting of five members, including the Secretary, who shall serve until October 1, 1948.

SEC. 10. THE EXECUTIVE STAFF.—Responsibility for the day-to-day conduct of the business of the Corporation shall be vested in a staff of executive officers, headed by a chief executive appointed by the Board and responsible to the Board. Members of the executive staff shall devote their full time to the affairs of the Corporation. The Board shall define the authority and duties of the members of the executive staff, delegate to them such of the powers vested in the Corporation as it may determine, require that such of them as it may designate be bonded and fix the penalties therefor. The Corporation may pay the premium of any bond or bonds of any officer or employee. With the exception of experts, appointments shall be made pursuant to the civil-service laws and the Classification Act of 1923, as amended (5 U. S. C., 1940 edition, 661).

SEC. 11. COOPERATION WITH OTHER GOVERNMENTAL AGENCIES.—The Corporation may, with the consent of the agency concerned, accept and utilize, on a compensated or uncompensated basis, the officers, employees, services, facilities, and information of any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agriculture, and of any State, the District of Columbia, any Territory or possession, or any political subdivision thereof. The Corporation may allot to any bureau, office, administration, or other agency of the Department of Agriculture or transfer to such other agencies as it may request to assist it in the conduct of its business any of the funds available to it for administrative expenses. The personnel and facilities of the Corporation may, with the consent of the Corporation, be utilized on a reimbursable basis by any agency of the Federal Government, including any bureau, office, administration, or other agency of the Department of Agricul-

ture, in the performance of any part or all of the functions of such agency.

SEC. 12. UTILIZATION OF ASSOCIATIONS AND TRADE FACILITIES.—The Corporation may, in the conduct of its business, utilize on a contract or fee basis, committees or associations of producers, producer-owned and producer-controlled cooperative associations, and trade facilities.

SEC. 13. RECORDS; ANNUAL REPORT.—The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation, a copy of which shall be forwarded by the Secretary of Agriculture to the President for transmission to the Congress.

SEC. 14. INTEREST OF MEMBERS OF THE CONGRESS.—The provisions of section 1 of the Act of February 27, 1877, as amended (41 U. S. C., 1940 edition, 22), shall apply to all contracts or agreements of the Corporation, except contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 15. CRIMES AND OFFENSES.—

FALSE STATEMENTS; OVERVALUATION OF SECURITIES

(a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another, money, property, or anything of value, under this Act, or under any other Act applicable to the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment by not more than five years, or both.

EMBEZZLEMENT, AND SO FORTH; FALSE ENTRIES; FRAUDULENT ISSUE OF OBLIGATIONS OF CORPORATION

(b) Whoever, being connected in any capacity with the Corporation or any of its programs, (i) embezzles, abstracts, purloins, or willfully misapplies any money, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (ii) with intent to defraud the Corporation, or any other body, politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation, or draws any order, or issues, puts forth or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (iii) with intent to defraud the Corporation, participates or shares in, or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

LARCENY; CONVERSION OF PROPERTY

(c) Whoever shall willfully steal, conceal, remove, dispose of, or convert to his own use or to that of another any property owned or held by, or mortgaged or pledged to, the Corporation, shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

CONSPIRACY TO COMMIT OFFENSE

(d) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, upon conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful acts.

GENERAL STATUTES APPLICABLE

(e) All the general penal statutes relating to crimes and offenses against the United States shall apply with respect to the Corporation, its property, money, contracts and agreements, employees, and operations: *Provided*, That such general penal statutes shall not apply to the extent that they relate to crimes and offenses punishable under subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the Act of March 4, 1909, as amended (18 U. S. C., 1940 edition, 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT CORPORATION, A DELAWARE CORPORATION.—The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation: *Provided*, That nothing in this Act shall limit or extend any period of limitation otherwise applicable to such claims against the Corporation.

SEC. 17. DISSOLUTION OF DELAWARE CORPORATION.—The Secretary of Agriculture, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

SEC. 18. EFFECTIVE DATE.—This Act shall take effect as of midnight June 30, 1948.

Approved June 29, 1948.

JULY 3, 1948

STATEMENT BY THE PRESIDENT

I have today signed H. R. 6248, the Agricultural Act of 1948. Title I of this Act extends until 1950, with only slight change, the temporary system of rigid price supports for agricultural products which has been in effect since early in the War. Titles II and III of the Act establish another system of price supports, to take effect in 1950.

While the provisions of the Act touch upon only one of the major recommendations I have made to the Congress, they do recognize the importance of price support programs as vital elements in our agricultural and national prosperity. I am glad that the Congress finally took some action on this subject, as I had repeatedly urged it to do.

However, H. R. 6248 does not provide the basic declaration of long-range agricultural policy which is needed to round out the present farm program. Instead, the Congress had to act at the last moment to prevent the death of certain existing programs and found only enough time to make a gesture toward long-range policy. The portions of the bill which approach long-range planning do not go into effect until 1950.

In connection with the price support program continued by this Act, two points should be noted concerning S. 1322, which I signed a few days ago and which continues the Commodity Credit Corporation. In carrying out the price support laws it will be necessary to use the Commodity Credit Corporation. In fact, that is the Corporation's primary function. S. 1322 vests control of the Commodity Credit Corporation in a Board of Directors. H. R. 6248, however, makes the Secretary of Agriculture responsible for supporting the prices of farm products at specified levels. This would appear to create an unworkable separation of authority from responsibility. Fortunately, however, there are provisions in H. R. 6248 which require the price support operations of the Commodity Credit Corporation to be carried out under the supervision of the Secretary of Agriculture. Since H. R. 6248 was signed later than S. 1322, the provisions of H. R. 6248 will, of course, be controlling to the extent that the provisions of the two Acts are in conflict.

S. 1322 also prohibits the Commodity Credit Corporation from continuing its long-standing policy of leasing or acquiring land where necessary for storing commodities as close to the farm as possible. This restriction will mean that the Corporation will have to ship grain for livestock feeding, for example, from farms to distant points for storage, and then later to ship it back again to farm areas. This will obviously increase costs for carrying grain reserves. Only those special interests who will make money by unnecessary handling of grain will profit from this provision -- which will in the end be paid for by farmers and consumers.

In signing H. R. 6248, I wish to make it plain once again that legislation for price supports is only part of the action this Congress should have taken to meet the problems of American agriculture.

The 80th Congress did not enact legislation nor provide adequate funds for strengthening the soil conservation program.

The 80th Congress did not grant adequate funds for marketing research; it did not enact a stand-by program for improving the diets of low-income families.

The 80th Congress did not act on the International Wheat Agreement, negotiated after years of effort to assure United States wheat producers of export outlets. The failure to act on this Agreement means that the very favorable opportunity it offered to assure these export outlets may be lost.

The 80th Congress did nothing to meet the serious problems of rural housing, health and education.

In the field of agriculture, as in so many others, most of the business of the 80th Congress was left unfinished.





